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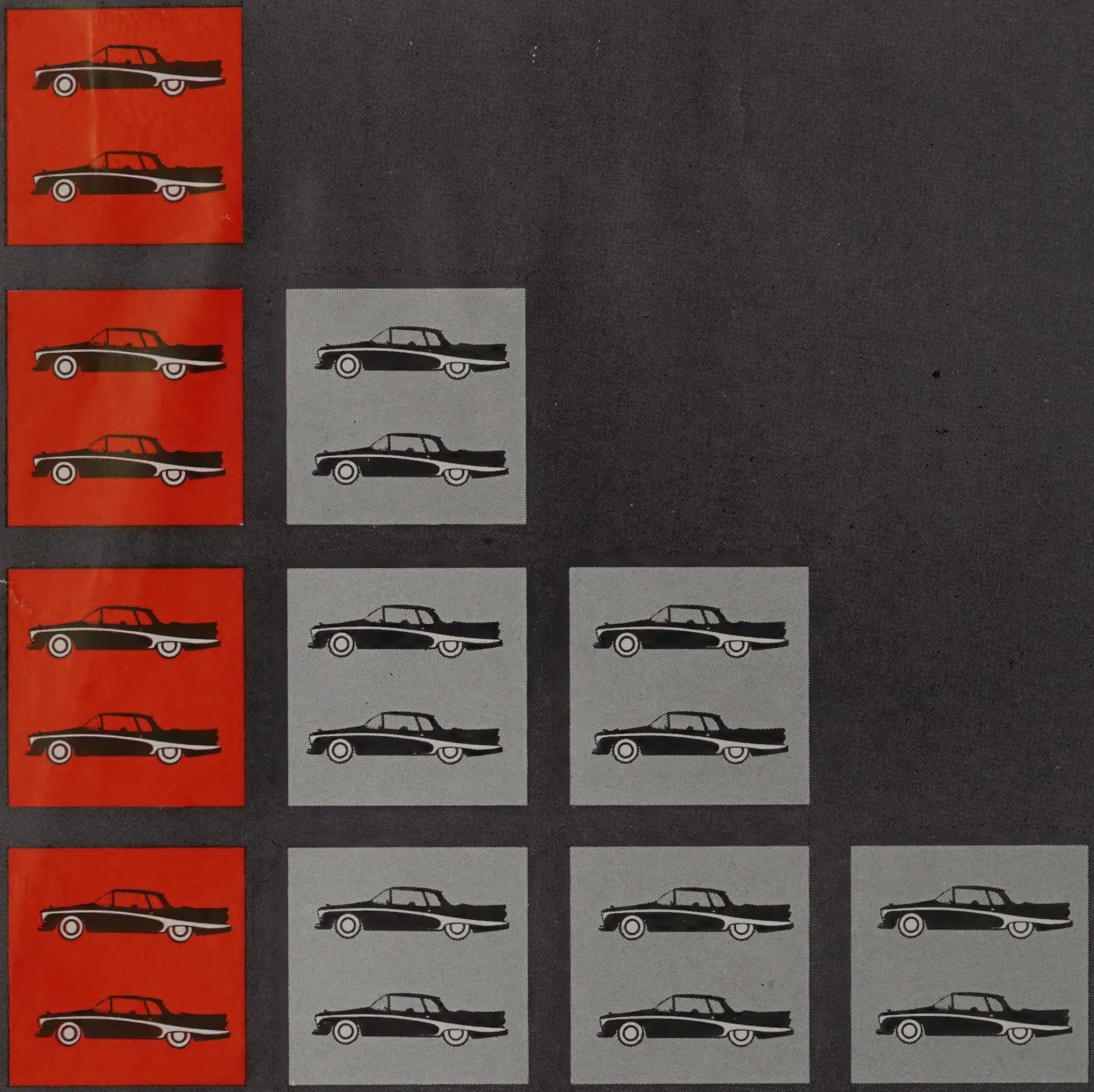


ADVERTISING FORECAST

What's ahead for advertising in 1957:

Predicting what will happen to advertising in 1957 is little more than educated guessing. But **some advertising patterns are already clear on the basis of trends established in 1956.**

The uphill climb of advertising volume shows no sign of slowing down. At its present rate of increase, **total advertising investment in 1957 should reach $11 billion** or about $1 billion more than 1956's anticipated volume.

National advertising volume for major measurable media will probably come close to $3.4 billion, about 10% above 1956. Whether this figure is actually higher or lower will hinge substantially on economic developments (see below).

Of the major national advertisers, **the overwhelming majority will increase their ad budgets in 1957, and the increase is expected to average between 6-10%.**

The economic outlook for 1957:

From all end-of-year indications, **1957 will see a general leveling off of business activity from the record boom of 1956.**

Advertisers making plans for next year can **expect to see business hit its peak in the second quarter of 1957.** Tightened credit and rising prices, along with further cutbacks in home construction, **will kick off a mild downswing which should straighten out by the end of the year.**

Gross national product will probably continue high in 1957, **may reach $430 billion.** This is a good increase over 1956's anticipated $412 billion, but not as good as 1956's GNP increase of $21 billion over 1955.

Retail sales should be up slightly over 1956's estimated $188 billion. Sales should get a boost from higher personal income in 1957, which is estimated to rise—but only slightly—over 1956's anticipated $330 billion. Employment is expected to continue at close to the 1956 rate of about 66,000,000 jobs.

Total construction in 1957, including both industrial and new homes, is forecast at $46.5 billion, about a 5% jump over 1956's figure.

Three factors are expected to stimulate a leveling off. First is **consumer credit, which should fall below 1956's level of about $37 billion.** Prices should rise in 1957, probably about 5% above 1956. And **profits should dip.**

McGraw-Hill's annual survey of capital spending, which predicts an 11% increase next year over 1956, gives some good clues to industry trends in 1957. Among manufacturing companies, **the following industries plan substantial increases in capital spending next year:** iron & steel, nonferrous metals, transportation equipment, chemicals, petroleum. Those expecting to cut back in capital spending: automobiles & trucks, textiles.

If and when any significant leveling off of business shows up in 1957's second quarter as anticipated, **you can expect the government to let up on credit restrictions**—setting the groundwork for another upward climb and a strong economic springboard going into 1958.

Agency billings climbed 18% in 1956:

Billing of the top 10 advertising agencies climbed an average of 17% in 1956 over 1955. And among the top 10, there were some significant position shifts.

J. Walter Thompson remained on top, with an estimated $260 million compared t 1955's $220 million. **McCann-Erickson moved up to second place,** with billings of about $200 million as against 1955 billings of $166 million. **Young & Rubicam dropped to third place** while increasing billings from $182 million in 1955 to approximately $198 million in 1956.

BBDO increased billings in 1956 an estimated 11%, bringing its total to about $180 million and keeping the agency in fourth place. **N. W. Ayer held fifth place with 1956 billings estimated at $105 million,** 20% over 1955 billings.

The remaining five agencies in the top 10 stand like this: **sixth, Benton & Bowles, up from eighth place** with about $90,000,000, up 32% from 1955; **seventh Kenyon & Eckhardt, up $17,000,000 in 1956** to an estimated $85,000,000; **eighth, Foote, Cone & Belding,** with 1956 billings of approximately $81,000,000; **ninth, Grant Advertising,** with billings of $78,350,000, and **tenth, Leo Burnett,** with billings estimated at $75,000,000.

GE plans price rise:

Look for GE's Housewares & Radio Receiver Division to raise prices early next year on all its portable appliances, including vacuum cleaners.

The price increase will come just about a year after GE made its historic decision to chop profit margins at all distribution levels—manufacturer, distributor, retailer. **GE will maintain this radical profit margin structure but raise prices due to "increased costs" of doing business** (e.g., production, shipping).

Although GE says its small appliance sales will run higher than the industry increase of 20% this year, **it's a good guess that GE's new profit structure has pinched earnings.** GE, which has been studying price hikes since September, plans to release statistical evidence in January on the success of its revolutionary margin structure.

New products coming up:

General Foods Corp. (White Plains, N.Y.) is introducing an Instant Lemon Flake Cake Mix to its Swans Down stable. The new mix contains natural lemon oil in addition to lemon flakes, is being advertised (via Young & Rubicam) with a 5-cents-off offer on CBS-TV's December Bride and Zane Grey.

Plee-Zing, Inc. (Evanston, Ill.), has added a complete line of canned salted nuts to its food products, becomes the second firm within months to offer competition to Planters: Standard Brands (New York) brought out a Royal line last summer. Plee-Zing advertising (via Chicago's Arthur R. Mogge, Inc.) will be concentrated in newspapers.

Armour & Co. (Chicago) is moving its chili pot pie, second in its line of pre-packaged frozen pies, into regional distribution. The new pie has a corn meal crust, will retail for 23 cents to 25 cents and will be introduced with newspapers and spot TV (via N. W. Ayer & Son) into new markets.

Food Sales, Inc. (Minneapolis), is introducing there a new popcorn and oil product "Combo-Corn," which needs no additional oil for popping. A 10-ounce stand-up cellophane package retails for 25 cents. No advertising is planned at the moment, but the company hopes for national distribution.

Tide

DECEMBER 28, 1956 • VOL. 30, NO. 24

trend makers

next issue

A full report on the Federal Trade Commission's current interpretation of Robinson-Patman Act's relation to advertising.

Advertisers forecast how much they will spend in the major media next quarter.

every issue

in this issue

Oh, what a wonderful feeling!

How do you evoke such a mood . . . how *sell* it?

Yardley does it with a doll. A very special doll, who can be saucy or regal, with a change of costume and pose. Always she is delightfully fresh and feminine—just like Yardley toiletries and cosmetics!

A newcomer to Yardley magazine and TV advertising, she has already made her influence felt. Dealers are delighted with her effect on sales. Customers are buying more Yardley—to enjoy and give.

Yardley of London, Inc., our client since 1927, is enjoying that wonderful feeling that comes with backing a winner!

P.S. to guys—Say "Merry Christmas" to your favorite doll with a Yardley gift!

N. W. AYER & SON, INC.

Philadelphia • New York • Chicago • Detroit
San Francisco • Hollywood • Boston • Honolulu

DECEMBER 28, 1956

Tide

Vol. 30, No. 24

TIDINGS

The horse's mouth

It occurred to us that there are two ways to find out just what kind of a year advertising has been through. We tried the first way, but Arno Johnson of J. Walter Thompson was tied up in a meeting. So we tried the second best source: the bartenders along Madison Avenue. And we struck gold.

We discovered many things. First of all, if admen confide in bartenders, that confidence is well placed; we found very few bartenders willing to talk freely. One, in fact, refused to discuss anything about his patrons unless we got an o.k. either from the hotel PR man or his union local.

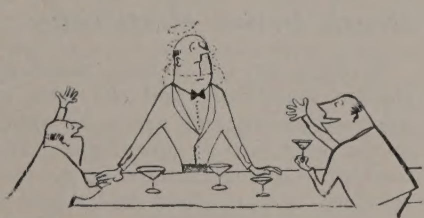
But others were more willing. They told us, for example, that admen during 1956 were more faithful than ever to their favorite drink: the martini. But, they added, two trends among admen were evident during the past year: they drank their martinis dryer than ever before, and more of them switched to vodka.

Many of the bartenders we interviewed hastened to add that when an adman works for an agency with a liquor account, he's always loyal—he always asks for his client's brand. "They're very loyal to their own accounts," one pubkeeper explained almost paternally. "Sometimes after two or three drinks, I think they're too loyal, but I admire them."

Of all the bartenders we talked to, only one reported any requests for special drinks. He explained that one of his customers from BBDO regularly asks for one tiny drop of brandy in his martini. And another agencyman, he says, has a Christmas fetish: he likes a sprig of holly in his martini. "It's usually after the second or third martini," says the bartender. "He drinks two or three with olives, and then asks me to put a sprig of holly—a small sprig—into his drink. It's sort of a ritual. And when he finishes the martini with the holly, he leaves."

A few of the bartenders said that 1956 was a lean year so far as advertising patois was concerned. They didn't hear nearly as much of the strange jargon with which agencymen usually spice their conversation. One bar man smiled over an agencyman's definition of que sera sera: "that's the way the cookie crumbles." And another claims an agencyman suggested returning to the office saying, "Let's mow down this field of clover and see if it still smells sweet."

What did agencymen talk about during 1956? Bartenders report hearing mostly about commercials (Bert & Harry Piel, the Pepsodent jingle, United Fruit's banana campaign, Miller High Life's song, among others) and occasionally some rumbles about "15%." Right now, said many bartenders, they're talking about 1956 not going out too strong — and that 1957 may prove to be a bit rougher.



The most interesting bartender we met was a shy but friendly fellow who admitted that he watched commercials at the request of one of his steadiest customers. "He asked me to get up at 7 a.m. to look at a TV commercial," said our friendly bartender, "and I don't usually get up until 11. But I did, because he wanted my opinion. I told him it was a good commercial, but it was too long. And then I asked him, why do commercials sometimes interrupt the football game just when the halfback is going around end? He promised to find out, but I'm still waiting for my answer."

Sweet revenge

In our wilder moments, we envision a world populated solely by cartoon characters from television commercials: little Peter Pain playing ping pong with Mr. Coffee Nerves; the Proctor family making toast and ironing shirts for Bert & Harry Piel; Speedy, who plugs Alka-Seltzer, passing some to the Campbell Kids; and even P. J. Tootsie, the Candy King, humming a few tunes with the singing apples in the Mott Apple Juice commercials.

It's not this dream that worries us. It's how these cartoon characters got to be the way they are. Accordingly, we trundled over to one cartoonmaker, CBS Terrytoons, and got the goods on at least one—P. J. Tootsie.

According to Terrytoons aficionados, The Sweets Co. of America turned thumbs down on the first cartoon idea submitted by Gene Daitch, creative supervisor, and Tom Morrison, storyman. This experimental spot featured a Little Red Riding Hood character bringing a basket of Tootsie Rolls to her grandmother.

"No!" cried the Sweets Co. executive. "Little Red Riding Hood looks too much like Marilyn Monroe and there's no hard sell in the commercial."

The executive's assistant mentioned that this type of commercial was very popular and reminded the exec of the Piel spots. "Those things! Can't stand them! Saw one the other night and the little fellow was standing right in front of the Piel's label. Couldn't even see it."

Rebuffed, Daitch (who had worked

on the early Piel spots while at United Productions of America) and Morrison decided to revenge themselves. They fashioned P. J. Tootsie, a cartoon Candy King modeled on the executive from The Sweets Co.

The one-minute commerical opened on a cigar-smoking pompous executive sitting at a Tootsie Roll decorated desk, listening to a storyboard presentation given by a timid account executive. P. J. Tootsie barely gave the adman a chance to speak and kept asking if the commercial would sell Tootsie Rolls. P. J. wanted people to know the goodness of the candy. He thought the candy wasn't big enough in the storyboard presentation and pulled down a screen with a four-foot Tootsie Roll. Then he told the adman to go back and try again (as The Sweets Co. executive had told Daitch and Morrison).

A week later Daitch and Morrison went back to Sweets Co. of America with a revised Little Red Riding Hood and P. J. Tootsie in their pockets. Red Riding Hood flopped on its return showing. So Daitch and Morrison pulled out P. J. Tootsie, ran it and the executive bought it, later remarking: "They don't know it, but that P. J. Tootsie is me!"

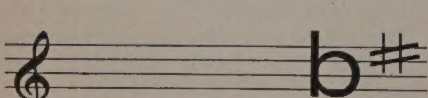
Detection

One of our Dallas readers reports seeing a strange sight on television one night. He was watching an announcer deliver a commercial for an air conditioner and the announcer, says our reader, had a lie detector on during the entire commercial. After the commercial was over, lie detector experts in the studio verified the fact that the announcer hadn't told a single lie—not even a little white one—during his spiel.

Ad notes

First impressions are always deceiving, as we proved to ourselves the other day. An advertising agency on the west coast, the Dreyfus Co., sent us a proof of an ad it has created for Gibraltar Savings, a Beverly Hills (Calif.) savings & loan association.

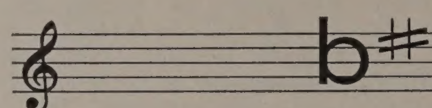
At first we mused over how clever the ad was. Aside from the company name and logo at the bottom, there was no copy in the ad, just some sheet music with only one note:



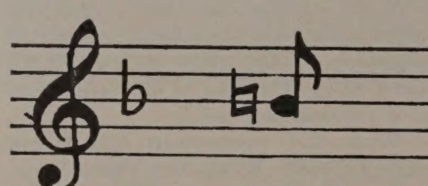
Cute, we thought—until we looked further. The Dreyfus people were evidently sure that consumers would understand the ad, because it carried no explanation of any kind. But for those of us in the advertising or editorial business, the Dreyfus people felt compelled to add a note explaining what the ad was supposed to say. For the information of the Dreyfus people, we played a mean tuba some years back, and unlike Elvis Presley, we can read music.

The mailing from the Dreyfus Co. also contained an agency house ad showing a sledgehammer about to smash an egg and with copy stressing the advantages of the "soft sell." To us, the ad represented hard sell in only a slightly more palatable form.

It's our theory that by exhibitionist stunts, such as telling consumers to



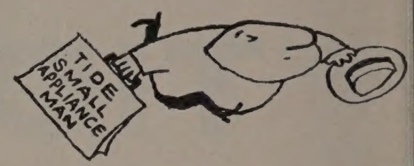
(and not even in correct music terminology), Dreyfus Co. missed a note of more importance. We advise them to



Brush better electrically

Recently we got a buzz about an electric toothbrush, and the idea so intrigued us we sent our small appliances man out to investigate. The toothbrush is manufactured by the Proral Corp. of Springfield (Ill.), which is headed by a 190-lb. six-foot ex-boxer-turned-dentist, Dr. John F. Cannon. Cannon has practiced in Springfield since 1940 and still has the light step and quick movement of a fist fighter. Unbuttoning the neck-loop on his dental frock, which he still finds a little confining, Cannon told about his toothbrush.

"A few years ago I began noticing more children with poor teeth. It seemed to me our kids' teeth were getting as bad as the English—but, you know, they have such a pallid diet with all of that sugar and tea and besides, they didn't get good teeth-building food during the war, so there might be a reason for them. But I couldn't understand American kids having such trouble. I began to wonder if imprope brushing wasn't the cause, and I begai toying with the idea of an electri toothbrush, one that could really b effective." And about 300 of his friend raised some $100,000 and formed th corporation. "The trouble was in th motor," says Cannon. "It took us 2½ years to get a small one because w had to have a special small insulatin



coil and we presented new problem for the underwriters." The product tha has resulted is eight inches long, on and one-half inches in diameter, with canister shaped motor and detachabl brush heads (which come in eigh colors). You plug the toothbrush into socket like any electrical appliance twist a knob under the motor and brus away. Cannon says it's perfectly harm less, that if too much pressure is ap plied, the brush will stop immediately The "bristles" themselves are spiral shaped, like the small brushes used t clean electric shavers, and Cannon say they dislodge particles which ordinar brushes usually miss. The brush sell for $19.95 with one brush head (brus head refills are available at $1.98).

"It doesn't use much current—in fact negligible — and the added cleanin qualities outweigh that factor I think It's certainly a good way and a goo gimmick to induce children to brus their teeth regularly. In fact, som people have been telling me that con sumers are as 'vain-conscious' as the are health-conscious and we're hopin the idea of being first in the block wit an electric toothbrush will spur sales.

Cannon naturally used Springfiel for a test market and was so wel pleased by sales that he has taken th brushes to St. Louis to sell them at th Famous Barr department store. In S Louis he has picked up an advertisin agency, Marvart, Inc., which currentl is promoting the brushes with spot an nouncements on radio stations WTA and KXOX.

He's hoping to show the toothbrus on Arlene Francis' Home Show, an he wants to bring it to New York soo after Easter. "When I come to Ne York I just may bring my trottin horses. Since I gave up boxing, I' dabbling with the ponies and I want t put them on that Yonkers raceway although the competition may be to tough."

Discounter evaluates manufacturer aids

Masters can get all the point-of-sale material it wants, but doesn't think any of it is particularly effective

In its last issue, **Tide** began a series of articles aimed at gauging the effectiveness of promotional material which retailers receive from manufacturers and media. The department store surveyed: Quackenbush's, the Patterson (N.J.) outlet of Allied Stores Corp. This time **Tide** visited a discount house. Succeeding articles will explore what a drugstore, an appliance center and a supermarket like, dislike or want but aren't getting of the estimated $900 million worth of displays, cut-outs, banners, mobiles, etc., distributed by manufacturers each year.

The discount house, Masters (New York City) last year won some $20,000,000 in sales on its advertised policy of "the name brand at the lowest price." While Masters is not the largest discount operation (New York's E. J. Korvette did a $56,000,000 business last year and Chicago's Polk Bros. a $45,000,000 one) Masters has been the innovator. It was the nation's first discount house (operating in Washington D.C. in 1937); and it pioneered the "identification card" (now outmoded) and full-page newspaper ads by discounters (it claims it spent $500,000 in store ads last summer.) And Masters may be the first national discount chain: an experimental Masterette now operating in York (Pa.) may be the prototype for 500 such stores across the land. At least that's the goal of 43-year-old Stephen Masters, who heads up the firm bearing his name.

Says Masters: "In these days when a manufacturer spends so much money pre-selling his merchandise with heavy national advertising, it's unnecessary for retailers like us to sell it all over again with point-of-purchase. The problem is more & more one of physically getting the goods delivered to the consumer's house. Where space is at a premium, as in our stores, much of the promotional material is even more superfluous. Certainly 50% to 75% of it is thrown away outright. If we use anything, it's flat, one-dimensional wall signs or wall pegboards, which can hold things like clocks."

Adds merchandise manager Leon Mesnick (pictured below with a Masters ad): "We believe that elaborate promotional material which takes up premium space is only infringing on space we can better use for a piece of merchandise itself, or better yet, for a customer. You know, we don't care which brand we sell, for the percentage of markup for comparative brands is the same, but we've got to make each square foot of floor space account for $1,000 a year compared to a department store's average $185. It's got to be hard sell with the price and the piece—in other words volume. So, many times, we let the merchandise be its own display."

A good example of that is the television section located on the second floor of Masters' Manhattan store near Rockefeller Center. In a stack of wire cages similar to wrought iron record holders, Masters places television sets, with only a small price tag affixed to the screen. Across the aisle console models sit with only a quarter inch of space between them. The store goes for signs which highlight "choice and price," but, understandably, must create there itself.

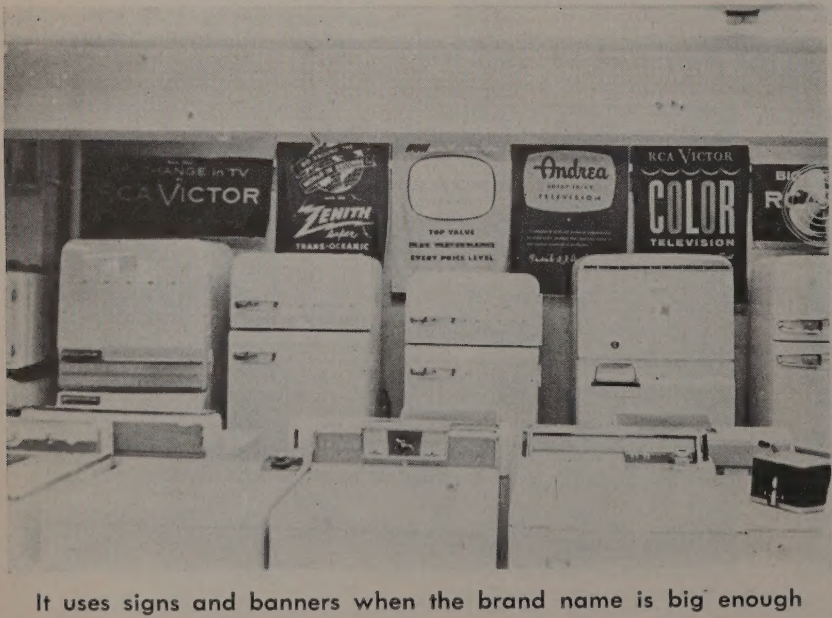
The store goes for no merchandising material supplied by magazines, such as "guaranty" seals or "use-tested" tags or "advertised in" signs. The reason is the same as with manufacturer supplied material: products themselves are the most powerful displays, when the price is right.

Explains Mesnick, the store can let the mass displays do their own selling because "our customers generally know

Masters' merchandising manager Leon Mesnick says the most powerful display is an array of top brands

Virtually every major radio brand is here, all self-sellers

Masters likes shipping cartons which promote the product inside



It uses signs and banners when the brand name is big enough

just what they want and they just com to us for the model and the price We're continually amazed at about hov well informed they are—they certainl know what they want." Adds Masters "With customers like this, we nee salesmen. The more personnel you hav engaged in direct selling (Masters esti mates 75.1% of its personnel are in di rect selling compared with under 50% for a department store) and the mor efficient order takers they are, the high er the volume. We've got our break even point at 11.9% of sales compare to a department store's 33%, so w must sell."

The massed radio display, like tele vision, does its own merchandising (se left). Again the only sign indicate brand, price and guarantee. Master prefers its own signs because, as Mes nick explains it, "they stop the custome cold. An operation like ours is one o the fastest testing labs on merchandis ing material. Within 48-hours it mus 'pay' and do the work a sign in a de partment store might take a month t do. Too many signs we get give lis price, and this just doesn't go an longer. More manufacturers might fin their signs being used if they left a bi blank space for the retailer to inser his own price." The radio departmen features another Masters' special: me chandising racks which hold a complet line. Mesnick thinks racks with "clean modern lines" are the most effective

The need to conserve space result in displays like that for Roto-Broil (se left). In what would be an aisle i most any other store, display cases an serving carts hold the rotisseries. In fac throughout Masters' New York Cit store, cartons of merchandise are used where needed, to do the double job o selling product as well as packaging it

For the Roto-Broil unit, Masters als uses a demonstrator, one of the fe employed in the store. This is partl because of the more complicated natur of the appliance, which is not single duty like a toaster or electric heate and partly because Masters is currentl highlighting it as a special promotion

The major appliance section is on store department in which Master makes good use of some manufacture supplied wall signs. For one thing, the displace no selling area, and they ad color to an otherwise white-lookin area. While wall signs are among th few point-of-sale aids Masters use Masters himself has this to say: "Whil we don't use much of the stuff, I' sure that the one-brand man out in Pennsylvania or Ohio small town ca find many uses for it to fill up spac and highlight his product. And I' sure many manufacturers make the material with him in mind. But the

should all realize that this is all changing—the day of what I call envelope stuffing selling is certainly dead." Masters attributes much of the deluge of promotional material to custom: "A great many of the manufacturers just sit down and print it because the advertising man finds it customary. They should make some new appraisals."

As useful as wire racks, thinks Mesnick, are "escalator type" displays (see top right). Mesnick favors them particularly in Masters' self-service department because they show maximum product in minimum space.

Masters' own display men, who make most of the signs Masters uses, have more of a job than just designing material featuring brand and price. The signs they make, for instance, for counters holding heavily handled merchandise, must be more sturdy (generally plywood) than anything a manufacturer submits (usually cardboard). A good case in point is the 1847 Rogers arched plywood sign (see right). Like most Masters-made signs, the letters are bold and big and the price is "bolder and bigger."

Incidentally, Masters' newspaper ads repeat the same theme of featuring product and price. The ads, which resemble catalog pages, also reflect another influence: the supermarket ads of the Thursday afternoon variety. This results from Masters' belief that "discount houses will affect their field as supermarkets did other food retailers—if they haven't already."

Masters does make use of movable lighted signs, as do most retailers, but certainly not to the same extent (the only one in the New York City store is for Polaroid cameras right near the main door). And Masters never uses them for window displays. "In fact," says Mesnick, "windows are not important as a selling tool. People don't come in because of windows but because of price. Besides, elaborate window displays utilize time that might better be spend elsewhere."

To plan what displays and ads he does need in his stores (which have been called "a hodge-podge of confusion, cartons, customers and catalogs") Masters maintains a full-time display force in a room between the store and its nearby office, also on 48th Street, which handles all displays for the New York, Paramus and Westchester stores (the mail order house in Washington, D.C. maintains its own.) Comments Masters: "More than 99% of retailers today sell below the retail list price. There is no scarcity of merchandise for us. We get all of the items we want from almost every manufacturer. But a more selective amount of promotional material would be welcome." ■

Because of heavy traffic, displays must be compact and durable

Any sign featuring price is o.k. — if the price is low enough

Most of the time, Masters creates its own point-of-sale signs

Doherty, Clifford, Steers & Shenfield says:

"We can test it for you retail"

IF THE marketing services offered by agencies continue to expand in speed and scope at their present rate, you may soon find agencies in the retail business. This, in effect, has already happened to Doherty, Clifford, Steers & Shenfield.

For the past year and a half this New York agency has virtually "owned" a chain of supermarkets in Long Island (N.Y.). In these stores, merchandising personnel from the agency can and do set-up displays, arrange stocks, audit the books, and talk with customers. As DCS&S merchandising vice-president William E. Holden explains it, "In order to have a 'retail viewpoint' in any activity on the products we advertise, we felt we ought to be in the retail food business. We couldn't **buy** a supermarket—some agencies could, perhaps, but we don't have that kind of capital—so we did what we think is the closest thing to it."

➤ **In-store testing is not new to ad agencies. Practically every agency, at least those with accounts requiring one, has a store panel of some sort.** DCS&S itself, prior to its present set-up, conducted spot tests in stores for individual clients, with accurate results.

But since more than 85% of the agency's billing comes from clients whose products are sold in grocery stores—mostly food items and health & beauty aids—the agency felt that a continuing program was necessary. The packaged goods field is known for its abundance of special promotions, and Doherty, Clifford continually prepares merchandising promotions for such clients as Thomas J. Lipton, Borden Food Products Co. (instant coffee), Bristol-Myers Co. (Ipana, Mum Mist and Vitalis), J. B. Williams Co., John G. Paton Co., Pharmaco and others. The biggest advantage to both the agency and its clients of this continual testing, of course, is the opportunity to see how promotions, price deals and other merchandising plans check out before putting them into effect on a national basis.

So the agency went shopping for a supermarket chain. First, the chain had to be willing to cooperate fully. Then the agency had to consider such factors as store volume and traffic, type of neighborhood, store layout and size, and customers' socio-economic status. Also the stores must be close enough for agency personnel to reach conveniently.

➤ **Several competitive chains were considered and the choice finally narrowed to the Big Ben chain on Long Island.** This chain consists of 16 stores, located in well-populated metropolitan areas, with annual volume ranging from a minimum of $1,000,000 to a high of $1,500,000 per store. (This coincides accurately with the national average, which currently places supermarket volume at about $23,000 per week.) When Lawrence Hubbard, the agency's research director, studied the areas from which the stores drew traffic, he found them exceptionally representative. The towns are made up predominantly of middle-income families whose gross income averages about $6,500 per family, slightly above the national average, but representative of potential customers for most products DCS&S has interest in. And some Big Bens are near housing developments where the concentration of younger people practically guarantees higher consumption of packaged goods.

The agency and Big Ben management agreed on terms and a contract was drawn up whereby the agency pays a monthly fee based on the number of stores involved and the number of products tested.

➤ **The decision to make a specific test can originate with DCS&S or any of its clients.** The agency's nine-man merchandising committee—made up of merchandising, research and account men—then decides what form the test will take. Next the entire plan is submitted first to the client, then to the Big Ben representative, for approval. When the test has been concluded, Doherty, Clifford's research and merchandising staffs evaluate the results and discuss them with the account men involved. And finally the client gets a full report, accompanied by the agency's conclusions and recommendations.

In some highly competitive fields, such as coffee, testing goes on continually. Coffee is a commodity notorious for its constant fluctuations; consumers have relatively little brand loyalty and are extremely price-conscious when they buy coffee. For one of its clients' products in this field, for example, Borden's Instant Coffee, Doherty, Clifford can provide up-to-date information on its share of market and the effectiveness of its promotions as well as those of competitors.

DCS&S can trace any product's sales history by checking warehouse withdrawals, store stocks and sales over any given period of time. This ability to reconstruct sales patterns is also useful when clients are thinking of introducing products in new fields, or when the agency studies new business possibilities. This testing is so valuable that the agency has been asked by at least one client to test products not actually handled by the agency.

DCS&S merchandising committee members Lawrence Hubbard, William E. Holden and Richard Fehr pre-plan a supermarket test with a scale model

Copywriters develop effective themes from store interviews.

➤ **DCS&S has used what it likes to call its "junior Nielsen" for tests of every conceivable type, from straight share-of-market audits to experimental packaging or pricing deals.** In the grocery field, for example, the agency recently determined what happens to a product's share of market when it offers a multi-pack deal as against a premium.

The product in question offered a so-called "two-for" price offer in one group of stores and a premium in another group of stores. During the first week of the six-week test, the multi-pack offer resulted in a drastic sales decrease, while the premium gave sales a slight boost. But by the end of the six-week period this trend had reversed completely: the premium had actually reduced the product's share of market, while the multi-pack offer had increased it. This information proved invaluable to a DCS&S client contemplating a multi-pack offer on a national scale.

➤ **Often the store panel helps determine the exact promotional technique used.** It is almost standard procedure to offer refunds when introducing new products. But which is better—an offer of 25¢ for one label, or 50¢ for sending

Merchandising manager Joseph Pash sees what the boys in the backroom have in the way of stock while conducting a store audit for a promotion.

Big Ben's advertising and sales promotion manager Al Postrell helps audit shelf stock to determine how fast products move during a typical store test.

in three? Both were tried. Sales increased 128% where the one-label offer was made, in contrast to a 94% increase where consumers were asked to send in three labels. DCS&S's recommendation? A one-label refund.

Similar techniques test the potential appeal of premium items. In one such test, silverware was offered in one group of stores, and a 19.5% sales increase was noted over the six-week test period; in the second group of stores, offering plasticware, there was a 30% sales increase. Obviously, the plasticware made a more appealing premium and was suggested for the national promotion.

Sometimes a test run merely to confirm a "certainty" has surprising results, as shown in a recent price promotion test. In the packaged goods field, especially with items such as dentifrices, "2-for" offers are frequently and successfully used. If customers like two of an item at a special price, the agency reasoned, a "3-for" will make them even happier. When the store panel tested a three-pack against a two-pack, however, the two-item deal won conclusively. By testing, in this case, the agency was able to eliminate the risk of a national promotion flopping, thereby saving a major client expenditure.

➤ **This unique panel intensifies agency service in other ways. Tape recorded interviews in various Big Ben stores determine consumer reaction to products, brand preferences, and the reasons for them (see cut).** They also reveal what consumers dislike about products. Copywriters find it helpful to listen to these actual interviews and hear the exact words and tone customers use in describing products. Effective copy themes have developed via this technique.

The continuing store panel is as helpful to Big Ben as to the agency. Al Postrell, advertising & sales promotion manager for the supermarket chain, admits it helps him in evaluating other promotions. There is also collateral benefit from the publicity which the chain receives with some of the largest packaged goods producers.

➤ **At a time when more & more packaged goods are being sold through supermarkets. when promotions must be booked into supermarkets 90 days in advance, and when costs of promotion have increased, pre-planning is extremely important.** In today's highly competitive markets, Holden thinks, any ways of predetermining elements of any product that will make it more acceptable to the consumer must be utilized to the fullest. In its continuing store panel, Doherty, Clifford, Steers & Shenfield thinks it has one of the means. ■

Quackenbush's Goldberg
He advertises with or without co-op

NEW TIDE SERIES. Today, close to one out of every advertising dollar spent by national marketers directly supports some sort of local dealer ad program. With competition ever toughening, dealer relation and dealer participation in the total advertising effort grow ever more vital. Yet stating the problem is much simpler than solving it.

Virtually everyone involved with cooperative advertising knows of the harrassing and often dishonest abuses that gnaw continually at the medium's effectiveness. Yet, sametime, two out of three advertisers using co-op programs believe that basically the medium is necessary and effective. How can the medium be turned into a businesslike one?

Tide is currently publishing a series on ways out of co-op's problems. The first article surveyed the situation as it exists today—not a happy situation, but not a hopeless one either. Part II showed how advertisers in various industries view and use the medium and how they are uncovering and knocking out abusive practices. Part III examines their colleagues in co-op: the retailer and the medium.

Part IV will report the complex legal situation surrounding co-op advertising right now, particularly exploring the Robinson-Patman Act.

Kroger's Hoffman
Some manufacturers are too aggressive

Time for a new look at co-op, III

NRDGA'S Burston
He won't help manufacturers

IN DEAD center of the storm raging around co-operative advertising is U.S. retailing. Caught in a squeeze between his suppliers' determination to move more and more merchandise no matter what the cost, his customers' equally strong determination to purchase the best quality at the lowest possible price, and his own need to make a reasonable profit, the retailer, no matter what kind of store he runs, is in an uncomfortable position. The plain fact is, he can't keep everyone happy.

On the bright side of the picture, there are retailers who understand that co-operative advertising cannot long continue to be abused as it has been. The result of serious thought on the subject by some of them is even surprising: Co-op programs, say several retailers, can warp the function of retailing. Explains the manager of one of the midwest's largest department stores: "I don't believe co-op should be used to promote sales by manufacturers to stores' buyers. Often it's used as a 'come-on.' We tell our buyers to buy the best merchandise—not advertising. Furthermore, I think the use of his money should be studied more by the manufacturer to make it more productive. A lot of money probably is wasted because the manufacturer insists on no standards, and does little follow-up work and little criticism."

Just as strong are the opinions of the former ad manager of one of the country's largest department stores: "The salvation of retailing is in long range promotion of the store's name. Co-op, on the other hand, promotes single item, short term buying."

➤ **Also on the bright side, some retailers try to work out businesslike co-op arrangements with manufacturers. Says**

Quackenbush's (Paterson, N.J.) ad manager Sidney Goldberg: "We present to manufacturers thoroughly planned integrated promotion campaigns, the purpose of which is to build business, as opposed to one-time pounding of manufacturers to meet a special situation. The department buyer is the most important cog in all this. He's instructed to always ask the manufacturers for co-op money, and there's a certain amount of horse trading that goes on. But we never say we'll buy only on the condition that we're given funds. We purchase what we need and try to get manufacturer money to promote it. If the merchandise requires advertising but we can't get an allowance, we'll advertise anyway.

"Then again, we don't use all we're offered. For example, there's a lot of money available from hosiery, cosmetics and notions firms which we don't use. Dollars are made available on the basis of purchases. To purchase more than we need, just to get the co-op money would put our stock out of line. Also, in some cases, we won't use co-op money because our own advertising program is balanced in a certain way, so we can't overemphasize certain lines merely because the money is offered.

"Very often co-op money spent will mean nothing from a response viewpoint. There are items where price or impulse play a very small part in consumer decision. For these advertising is valuable up to a point of diminishing returns, when the advertising no longer creates sales. On the whole, though, we're satisfied with co-op."

➤ **In general, few retailers will admit that there's anything wrong with the way they handle co-operative advertising or that there is any truth in manufacturers' charges that co-op allowances are being abused.** The ad manager of one large department store sees nothing wrong, for example, in the practice of space brokering. "Of course department stores set a rate above that which they pay to media. Stores feel their services are like an ad agency's. They purchase space at low rates and provide professional advertising services. In addition, they lend their reputable names to the promotion of a manufacturers product. What it boils down to is this: a large store feels (and many manufacturers agree) that a standard 50-50 arrangement is unfair—the large, influential store contributes more than half to the sale and advertising of merchandise. Why shouldn't it be paid 60% or 70%? But manufacturers who recognize the logic of this can't readjust their standard contract because small outlets would benefit unduly. At the same time, the vendor can't make a special case for the big boys because of Robinson-Patman. So there's tacit agreement on the part of manufacturers to close their eyes to the flat line rate and the absence of newspaper invoices.

"The only line that must be drawn is when the store's override becomes exorbitant. If I pay $1 a line and charge my vendors $1.30, that's a fair price for services rendered. But if I charge $2, then I've caught myself in a trap where I'm running my department as a money-making proposition rather than as a tool to sell merchandise. Any store ad manager who does that perverts his function and is a fool. Perhaps one way out of the dark would be to charge the net rate and then add a standard fee for production charges and administration. But I don't see any way that could be administered efficiently."

Denver Post's Ramsey
He has a solution for co-op

WIP's Gimbel
He won't talk about rate cards

Says Kroger Company's St. Louis ad manager Gene Hoffman (who claims his company is the biggest user of co-op funds in the St. Louis market): "This branch bills all advertisers at the one-time national rate, although it earns the substantially lower retail rates, leaving a difference of anywhere from 30% to 50%. The manufacturers know this, of course, and I feel that if Kroger didn't get the advertising money, the manufacturers would simply take the same amount off the merchandise price. If they did that, we might not spend money to advertise their products. This way we do."

➤ **The most extreme form of this attitude is voiced by Associated Food Stores assistant ad manager Sidney Zuckerman, who admits his company generally bills suppliers at national rates for local advertising: "After all, he's a national advertiser, and it helps us defray the cost of the ad.** Then again, we have other expenses—administrative ones. It pays, for example, for my job."

In short, retailers think in terms of laissez-faire when it comes to co-operative advertising. The concept of efficient mass marketing is strictly limited in their minds by the demands of expediency and self-interest. The most astounding expression of this point of view is provided by William Burston, merchandising expert for the powerful National Retail Dry Goods Assn.: "Co-operative advertising is the most economically pinpointed merchandise tool in existence. Without specific contact on the store level, national advertising loses its effect. We hold no brief for abuses of co-op allowances, but for a manufacturer to discontinue co-op because of abuses is to throw out the baby with the bath water.

"You say that some stores make a profit from co-op funds. Well, assume that they do (and in some rare instances I'll admit that it does happen). The vendor still gets a bargain. I'm not going to cry for the manufacturers. They're getting a damned good deal anyway. If a manufacturer can't work out his own salvation to his own and to FTC's satisfaction, then he has the alternative of putting all his money into national advertising."

➤ **Sametime retailers are much more open about discussing co-op than their partners in the medium, the newspaper executives.** Each protests his complete innocence, yet each has heard of abuses by other newspapers. The net effect is very like the famous Nast cartoon of

the Tweed ring: a circle of rogues, each pointing his finger at his neighbor.

This is perhaps best expressed by the local ad manager of one of New York's largest dailies: "We won't allow a retailer to associate the name of a product with his own name in such a way as to confuse the reader as to who's doing the advertising. In other words, we think it is to the retailer's benefit to make the ad a retail ad. Furthermore, we won't double bill. In fact, we don't send two bills to the retailer at all, though I know of at least two other newspapers in the city that do. As a result, a very small percentage of our revenue comes from co-op."

On the abuses of co-op allowances, he has this to say: "There certainly is an attempt on the retailer's part to make a profit on his advertising, but I would hardly call that an abuse. It's business. The real problem, I think, goes back to the manufacturer. If I were a manufacturer of, say, appliances, interested in getting distribution on the New York market, I'd pay just about anything to get it and many manufacturers do. I think one of the biggest causes of abuses is that the manufacturer is not properly informed about rate structures. Our retail rate card is open to anyone who wants it, but the manufacturer usually just won't be bothered."

➤ **Miami Daily News retail ad manager Roger C. Coryell doesn't think the co-op problem is quite that serious.** "So far as department stores are concerned," says he, "their usual practice is to tell the manufacturer that cooperative advertising will cost him so much per inch, at a rate usually considerably higher than the contract rate earned by the department store. The manufacturer knows this, but there isn't much he can do about it since the department store tells him that it's their proposiion and he can take it or leave it."

Regarding double billing, though, adds Coryell, "the News will have no part of anything of this kind. At the Florida State Newspaper Convention this year, I personally checked into this subject with a number of other newspapermen and I found only one newspaper in the state which did double billing of any kind."

➤ **On the other hand, two newspaper executives are fully aware of the extent of co-op abuses and are willing to make an effort toward ending them.** Both have been active in the affairs of the Newspaper Advertising Executives' Assn., which has come out publicly several times against media connivance in co-op abuses and which has cooperated with the Assn. of National Advertisers in building the latter's file of retail rate

Detroit Times' Fleck
No one is constructive about co-op

cards. Says Jesse W. Fleck, Detroit Times ad manager and formerly chairman of NAEA's co-op practices committee: "We submitted report after report on co-op advertising and finally issued what we felt was the report to end all reports. We recommended to newspapers appointment of a panel to make a continuing study of all phases of co-op advertising, to make it more effective and profitable. Nothing was done. Apparently no one wanted to do anything constructive about the matter. We did accomplish one thing, however. We were the first to enable manufacturers to get local rate cards from newspapers."

Wilson Condict, who was president of NAEA and who was recently promoted from advertising manager of the St. Louis Globe-Democrat to national advertising manager for all 13 Samuel Newhouse newspapers, adds that co-op

WINZ's Neary
He gives the rate card sometimes

abuses must be corrected. "When I was president of NAEA, the organization sponsored the movement which has resulted in the file of retail rate cards at the Assn. of National Advertisers. I might point out that some newspapers are even stamping invoices to manufacturers to the effect that additional discounts for multiple insertions are available to correct the abuse of retailers retaining rebates. No good newspaper engages in double billing. Newspapers have got to tell the truth to the manufacturer."

➤ **One newspaper, though, seems to have found a solution that is apparently highly regarded by advertisers.** For about a year the Denver Post has operated what it calls its Denver Plan. The Post's Empire magazine supplement sales manager Craig Ramsey explains it this way: "The co-op problem has been a Frankenstein to a great many manufacturers, and while basically the theory of cooperative advertising efforts is, we believe, desirable, the misuses have created great waste. We do not pretend that the Denver Plan is the answer to all these problems, but we do know that this plan has and is helping to solve them here in Denver."

"Originally the Denver Plan was developed by ourselves and the Whirlpool distributor in this area, the Western Appliance Corp. The plan was specifically tailored to protect the distributor from media double billing practices which were causing this distributor to pay as much as 150% of a dealer's advertising costs. Obviously, any time a distributor pays more than 99% of a dealer's cost the proposition ceases to be cooperative, and when by any set of circumstances a distributor pays more than 100% he is in essence discounting his merchandise to that dealer. You probably realize that this may be in violation of government regulations."

"The Denver Plan basically functions on this theory: that a manufacturer's product is more important than any single dealer, hence it is essential that the manufacturer or distributor control the content of the ads used in the plan; that through control and coordination of all advertising expenditures for a particular product in a given area, all advertising on that product can be coordinated not only with the national advertising effort of that manufacturer but also between the various media used."

➤ **The essence of the plan, as Ramsey explains it, is absolute control of all dealer advertising schedules based on a master calendar tying in with national campaigns.** Since the distributor knows all the details of the dealer's

advertising, and also knows the local media rates, double billing or other abusive practices become impossible.

While he claims that some 15 separate plans have been or are in operation in Denver (by such companies as Frigidaire, Norge, General Electric, RCA, Admiral, Maytag and Westinghouse), Ramsey points out that the success of the plans depends on the amount of distributor control. "The Denver Plan's basic weakness," adds Ramsey, "is that many distributors' salesmen, because of their inability to sell their merchandise, will buy their orders with advertising funds, and many of the dealers have become used to this mode of operation. It is understandable then that when a controlled Denver Plan is initiated there is considerable reaction negatively, and it takes a great deal of fortitude on the distributor's part to gain dealer approval."

➤ **While radio and television receive only a fraction of the co-op advertising dollars that go to newspapers, abuses in the broadcasting media are every bit as rampant.**

One of the sore points is the difficulty manufacturers have in obtaining local rate cards from radio stations, which could be of some help in checking dealer invoices. This is especially irksome in view of the enthusiasm with which many stations hunt co-op business (both the Radio Advertising Bureau and the Television Bureau of Advertising maintain current files of factory co-op offers for the information of their station members). Says Benedict Gimbel, Jr., president of Philadelphia's WIP: "We will often approach dealers and point out to them where co-op money is available and how they can use it; that is, what time we can offer and our audience percentage. Like the manufacturer, we want to see dealers avail themselves of every chance to advertise. After all, we sell time." Sametime, while Gimbel (whose station incidentally is a subsidiary of Gimbel Bros.) emphasizes that time charges are billed only from the station's rate card, he blandly states that a national advertiser may not obtain WIP's retail rate card. "That's policy and I'd rather not discuss it."

➤ **Bernard E. Neary, general manager of Miami's WINZ, is willing to elaborate to this extent: "The national advertiser cannot obtain a retail rate card just by asking for it.** However, he may have it if he is contracting for the time locally, billing it through a local agency, and paying for it through a local bank. We pay agency commissions on a local rate to local agencies on this basis. For example, if J. Walter

WPAT's Wright
Advertisers can stop abuses

Thompson places a local co-op campaign through its Miami office, it would be entitled to a local rate, but if the order for the same account came out of J. Walter Thompson's New York office it would take a national rate. We've established this policy to eliminate the confusion between what is local, national and regional advertising."

Television stations, possibly because business is better, aren't so addicted to multiple rate structures. Says the general manager of an eastern TV station: "We have only one rate card. We don't have different rates for national, local, or retail like the newspapers have. Furthermore, our rates are available to everyone."

However, it's generally recognized that the presence or absence of rate cards is immaterial if rate structures have no meaning. Points out one radio

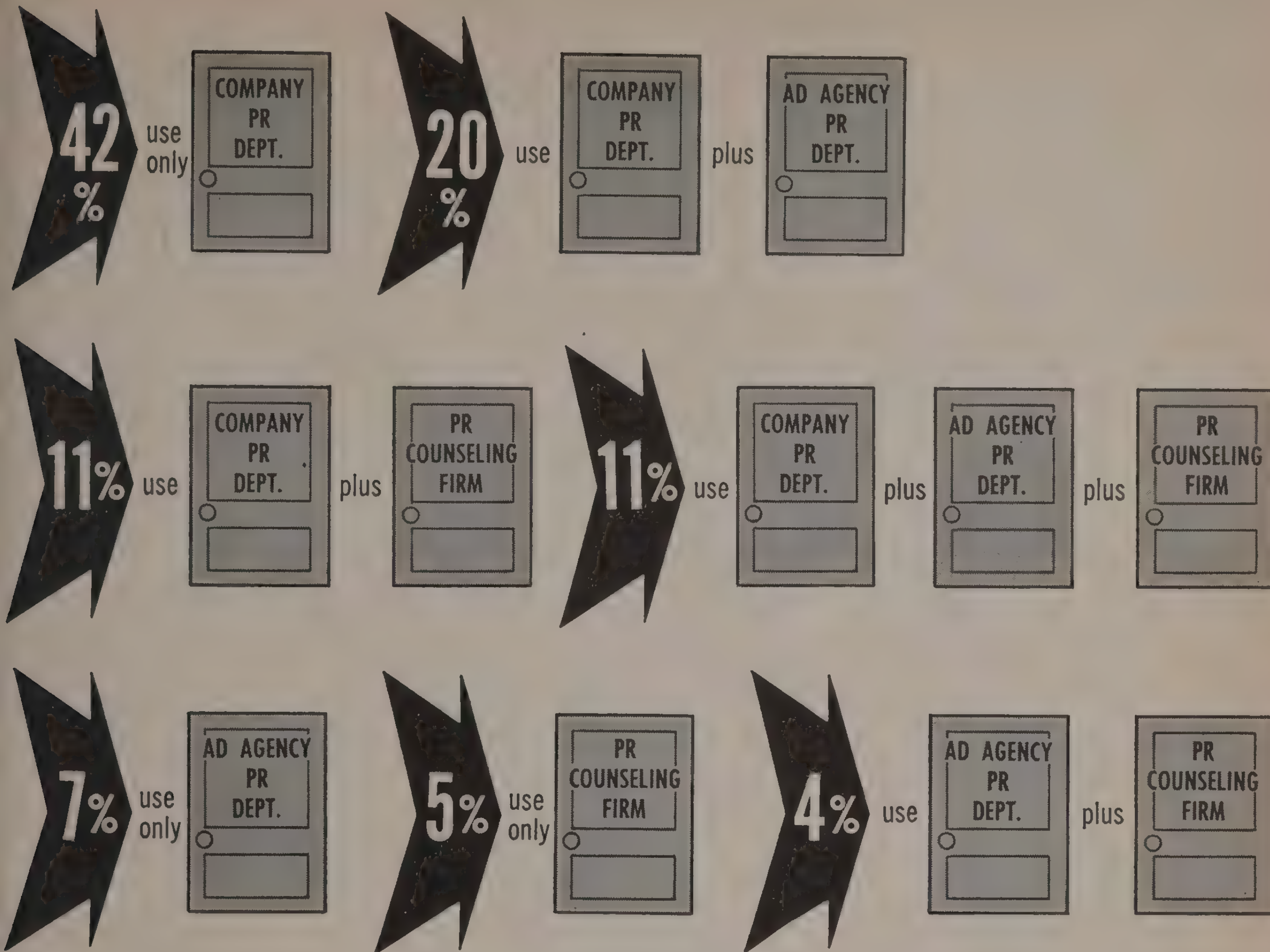
Miami News' Coryell
Only weak newspapers double bill

station executive: We're in on double-billing deals. At one time or another we've also accepted pitch advertising, per-inquiry deals and telephone-order commercials. Double billing is just one more way to gain and keep accounts. Most radio men who indulge in it don't even think there's anything reprehensible in the practice."

➤ **One station, at least, is concerned. Says assistant program director William Rogers of KSD and KSD-TV (St. Louis): "We recognized the abuses right from the start.** One of the ways we discourage co-op abuses is by sending a duplicate bill to the advertiser or advertising agency, thus preventing the retailer from adding on to his time bill. By the same token, both the radio and the television stations will send their retail rates to anyone requesting them." (Rogers, incidentally, points out that the two stations together receive less than 1% of their total revenue from co-op money, a state of affairs which may or may not stem from their billing policy.)

Another station which claims purity (though it admits to double billing in the bad old days) it WPAT (Paterson, N.J.). Says president Dickens J. Wright: "WPAT will not knowingly engage in billing procedures which involve double invoicing, rebating or discounting which will require any national advertiser to pay for something he did not receive." In addition, Wright has some constructive suggestions to advertisers genuinely interested in tightening control on the co-op funds they dole out. "Any advertiser," says he, "can eliminate exploitation of co-op funds in broadcasting if he wants to. The simplest way is to go to every station he's interested in and offer a legitimate deal for factory-paid time at local rates, using the same dealer copy he uses now to get local identification."

"And," adds Wright, "it wouldn't cost much more. For example: in the appliance field, where 50-50 is a usual co-op contract, if the retailer (with the connivance of the station) bills the manufacturer for half the national rate of $30, the factory pays $15. If the manufacturer offers to pay the station the local rate directly, he pays $18. The station loses nothing because it still gets about the same money. The retailer loses nothing since he really never paid for the advertising in the first place. The manufacturer certainly loses little or nothing; he even gains because he controls the money and the ad schedule and holds down any tendency on the part of the retailer to try to make a few dollars on the deal. Everyone gets the same advertising and everyone's honest." ■



How companies run their PR

"OUR PUBLIC relations is handled by a PR counseling firm. They're specialists at it, and they know they have to produce or they don't eat."

"We let our advertising agency's PR department take care of our PR. They understand our sales problems, and they know how to integrate publicity with advertising and sales promotion."

"We don't trust anyone outside our company to handle our PR—it's too important to turn over to either the phony baloney boys in the PR firms or the 15% boys in the agency PR departments. Our own PR Division does the job, the whole job and nothing but the job."

➤ **These three quotes, from prominent advertising executives on the Tide Leadership Panel, represent different approaches to a single problem: how should a company handle its public relations?** Should it keep PR "in the house," run by a corporate PR staff? Should it hire a PR counseling firm to take over the PR? Should it let an ad agency PR department do the job? Or is some combination of the three most effective?

From a survey of these 1,100 top-level advertising men on the **Tide** Leadership Panel, several conclusions become immediately apparent:

- By a wide margin, more companies favor keeping PR "in the house." Major reason: it's more economical, better coordinated, means company men familiar with company problems are working on PR.
- Despite this, the majority of companies use outside PR help—either to supplement their own PR staff, or to replace it. Major reason: companies can't afford to hire, on a full-time year-round basis, the PR help they need during peak sales periods.
- Most companies are happy with their present PR set-up, whatever it is, despite its drawbacks. Major reason: it's proved successful over a period of years.

• When it comes to choosing between a PR counseling firm or an agency PR department, Panelists favor PR counseling firms by better than two to one. Major reason: PR counselors are "specialists," have had past experience with similar problems, consider PR more than merely publicity.

➤ **In your company, Tide asked the Panel, how is your public relations handled? Panelists' answers break down into seven categories:**

• 42%, the biggest single group, handle their PR within their own companies—with no outside help of any kind.

• 20% use their ad agency PR department to supplement the work of their company PR staff.

• 11% use an independent PR counseling firm to back up their company PR department.

• Another 11% play their PR across the board: they use both a PR counseling firm and their agency's PR department to assist the company PR men.

• 7% let their ad agency's PR department handle all of their PR work.

• 5% farm out all of their PR to a PR counseling firm.

• The remaining 4% don't have a PR department, but use both a PR counseling firm and their agency's PR department.

➤ **In almost every case, the way a company handles its public relations depends on individual company problems. For each of these seven systems for handling PR, Panelists have specific reasons for using them—and for liking or disliking them.**

William Powell, PR director of Pillsbury Mills, explains that his company has a PR department and uses no outside PR help. Pillsbury uses this arrangement, says Powell, because it believes "PR is part of the management function and should be incorporated in the management structure." Powell thinks the system offers "close liaison with management," and that as a company PR man "you represent your company as an official of it." The only drawback to the system, he adds, is "management's tendency to give more credence to opinions of outside agents."

Jones & Laughlin Steel Corp. is another company using only its own PR department, says PR & ad director John D. Paulus, mainly because "This company believes PR is a top management function." The advantages, according to Paulus, are "not having policy handed down 'secondhand'; working with vice-presidents and department heads across the board on a staff level; flexibility; responsibility and accountability clearly outlined with no interference from other departments." Drawbacks of the system, says Paulus, are very few: "There is a tendency sometimes to forget that PR is all-inclusive—that it covers customers as well as shareholders and other publics. This may cause attempts at splinterization of the PR function by other departments, who may think they know more about PR than we do."

➤ **Other companies using only their own PR departments give these reasons for using it, along with any drawbacks:**

Sheraton Corp. of America ad director Robert L. Moore, Jr.: "We've tried every other system, and it works best to keep the entire function within the company. It gives us complete control of the PR situation and the personnel doing the work. Its drawbacks: sudden emergency jobs make a drain on our regular work as we don't have the depth in numbers to throw into the breach."

Tidewater Associated Oil Co. PR manager Jack F. Gow: "We feel public relations and advertising, while close relatives, are still two distinct operations. Also, one's own PR department is capable of doing the job without agency's guidance — although help would be welcome at times. [We like the system because] it places the responsibility for PR where it belongs—with the management and in the company's own PR department. Its drawbacks: it is sometimes difficult to be recognized as a prophet in your own home town."

Mead, Johnson & Co. PR director Charles H. Prout, Jr.: [Using only our own PR department] seems to be the most logical and efficient arrangement. It keeps the function centralized in one place and right under top management control. In some instances it would be helpful to have a PR firm on tap for outside help, but to date we've felt that to be unjustified in relation to cost."

➤ **Other companies offer varying reasons for keeping PR "in the house."** Clairol PR director Jack Shor claims it offers the best way to coordinate and integrate PR with marketing, although he can't always get as much done as he could with the help of a heavily staffed outside PR firm would offer. Stromberg-Carlson ad manager Frederick W. Haupt points out that in a multi-division company, it relieves the

Who doe

Put yourself for a moment in th role of a company executive face with the problems of launching public relations campaign. You company doesn't have a PR depar ment, and doesn't want to set or up. You have to decide whether t turn the PR campaign over to eithe a PR counseling firm or your adve tising agency's PR department. Wha are the factors that would influenc your decision?

If you're like the 1,100 executive on the Tide Leadership Panel, you' ask yourself five questions—and the answers would help you decide:

• **First, what kind of personnel d both organizations have?** The taler that would be assigned to your ac count is of the utmost importance Whichever group—the PR firm c the agency PR department—whic can offer the best men has a hea start.

• **Second, is your campaign actuall public relations or is it simply pub licity?** If it requires nothing mor than writing news releases, th agency PR department will probabl do a good job for less money. I you want more—like PR advice guidance and planning—better loo for a good PR counseling firm.

• **Third, what kind of experienc have the two organizations had** If the agency PR department ha handled campaigns like yours, in volving products similar to yours with great success, it would certainl

A. E. Staley's Beaumont

the better PR job?

be preferable to a PR firm that hasn't had the same experience—and vice-versa.

• **Fourth, how important is it to you that the PR campaign be integrated with your advertising and sales programs?** If you want strong and effective integration, the agency's PR department might be better; if integration doesn't matter at all, probably a PR counsel could do as good a job.

• **Fifth, how big is your budget for the PR campaign?** Chances are the PR counseling firm will charge more than the agency (which, after all, is already making 15% on your advertising). But if the sky's the limit, hire the best PR firm you can find.

A survey of the **Tide** Leadership Panel makes clear that today's top executives prefer a PR counseling firm over an ad agency PR department, all things being equal, by more than two to one. First of all, they worry over whether the agency would take what they unhappily call "the agency approach" to PR; they believe that most agency PR departments think in terms of paid space, that they're dominated by "15% philosophy." They consider most PR counseling firms "specialists" to whom PR is (as it isn't to agencies) their "bread & butter."

Listen to some Panelists' reasons for prefering PR counseling firms over agency PR departments:

Robert J. Gunder, ad & promotion director, Hamilton Watch Co.: Agency PR has a suspicious taint when dealing with media, even though advertising and editorial are supposed to be divorced."

Martin Sheridan, PR director, Admiral Corp.: "A PR firm is 100% geared to the PR viewpoint, does not get sucked into agency attitudes. A PR firm can do a complete PR job, whereas the agency performs a publicity job in 99 out of 100 cases."

William Powell, PR director, Pillsbury Mills: "PR counsels think only in terms of PR and have only the PR man's viewpoint, which is different from adman's viewpoint—and should be."

Walter Fanning, advertising vice-president, Nunn-Bush Shoe Co.: "Agencies have been slow to hire competent PR talent. The reason probably exists in the difficulty of selling such service at a profit."

Brad Sebstad, ad manager, Ansul Chemical Co.: "In an agency, PR is a collateral service. They are basically advertising oriented, because that's where the income is. In a PR firm, it's their major business."

Joe Gould, PR director, Jacob Ruppert: "It is my feeling that a PR firm *totally absorbed* in its specialty is generally better prepared to handle a PR account or project."

There are, of course, many Panelists who stand up for the agency PR department, mostly on grounds that it can integrate PR into the total marketing program. Here is the thinking of some members of the Panel on this subject:

Edward Whitney, ad director, Charles & Co.: "An agency who has already delved into the marketing problems, knows the sales strategy, plans the ad program, thus is in the best position to serve . . ."

James H. Beaumont, PR director, A. E. Staley Mfg. Co.: "The [agency's] acquaintanceship with the company and the product are established and the operation can be directed more profitably with less expense."

Arthur Pinkham, president, Lydia E. Pinkham Medicine Co.: "The agency is more closely in touch with business conditions, due to all their clients."

James M. Jewell, ad manager, Arvin Industries: "[The agency has] less inducement to recommend elaborate and costly—and often valueless—programs and activities."

S. L. Smith, ad manager, Bostitch: "We like the agency PR set-up because they coordinate with the advertising. On their field trips they dig up material for both PR and advertising."

Robert B. Hitchcock, ad manager, Surface Combustion Corp.: "Because the company, its products and poli-
the company, its produces and policies, it behooves them to maintain the same caliber of PR activity as [the caliber of their] advertising."

Hamilton's Gunder

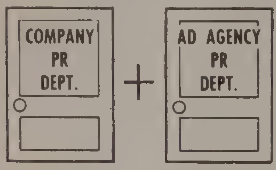
Pillsbury's Powell

Pfizer's Whitney

Admiral's Sheridan

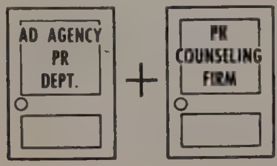
ad manager of details and programs that are not really a part of advertising—but adds that it requires careful inter-division coordination.

Alco Products ad & sales promotion manager A. R. Jaeckel says his company keeps PR within the company because it's relatively inexpensive compared to paying a PR firm, and that "our own people are intimately familiar with company policy, product and personality" which helps avoid embarrassing mistakes." Its drawbacks, says Jaeckel, are a lack of new ideas and inability to accomplish some things because of lack of time.



➤ **Those Panel companies which use their agency's PR department to supplement their own PR operation seem equally happy with the arrangement especially like the close coordination.** Esso Standard Oil Co. ad & sales promotion manager R. M. Gray has used the system for 12 years and says it works well without any "glaring" drawbacks. National Oats Co. vice-president H. F. Kemp uses the system because of the "coordination" it offers, calls it "simple and workable" but adds that sometimes PR gets "secondary consideration to advertising." Richfield Oil Corp. of New York sales promotion manager B. N. Pollak reports his company uses this set-up because "our operation is exclusively a marketing job" and therefore "our public relations problems are not complex."

Arvin Industries ad manager James M. Jewell likes an agency PR department supplementing his company PR ment because it's "easily controlled and inexpensive." Robert B. Hitchcock, ad manager of Surface Combustion Corp., says his company prefers this arrangement because it spreads out the work load more and enables the agency to acquire a closer grasp of company operations, policies and products. And Bostitch ad manager S. L. Smith reports his company uses this set-up because "We could not justify the cost of maintaining our own PR personnel of the caliber we find in our agency."



The three PR structures

There probably aren't two companies in the U.S. which have identical public relations departments. The organizational structure of PR departments varies according to the size of the company, the organization of the entire company, the nature of the product or service, and various other factors.

According to a survey conducted by the National Industrial Conference Board on how U.S. companies handle their PR, however, organizational structures for PR departments boil down to three basic types:

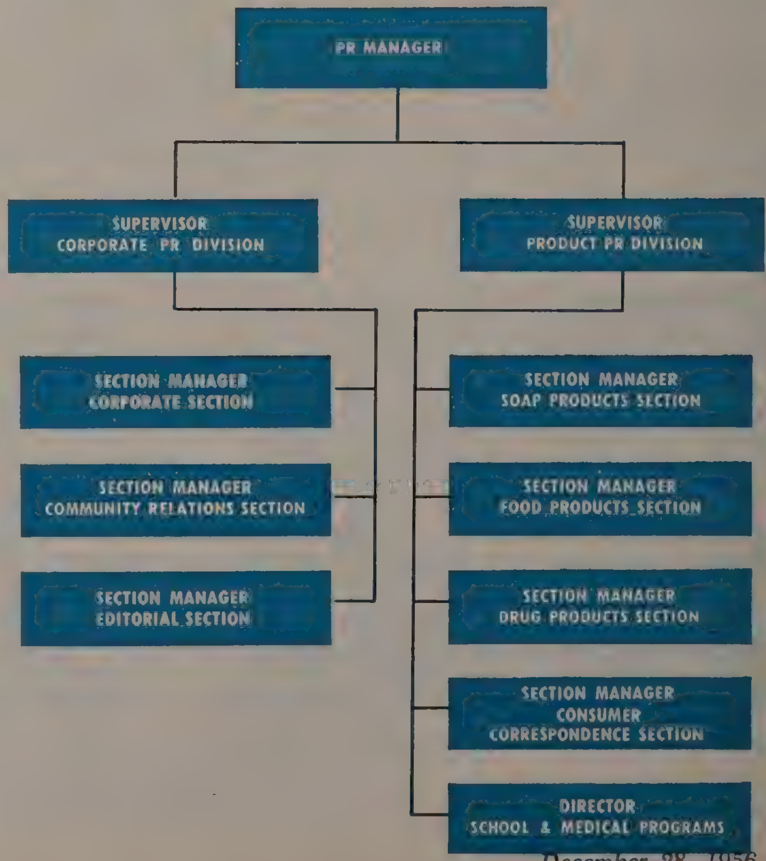
• According to the various publics to be reached. A company, organizing its PR department along these lines, would have different sections covering community relations, stockholder relations, employee relations, etc.

• According to areas of activity. This would involve different sections covering radio & TV publicity, product publicity, corporate publicity, exhibits, special events, etc.

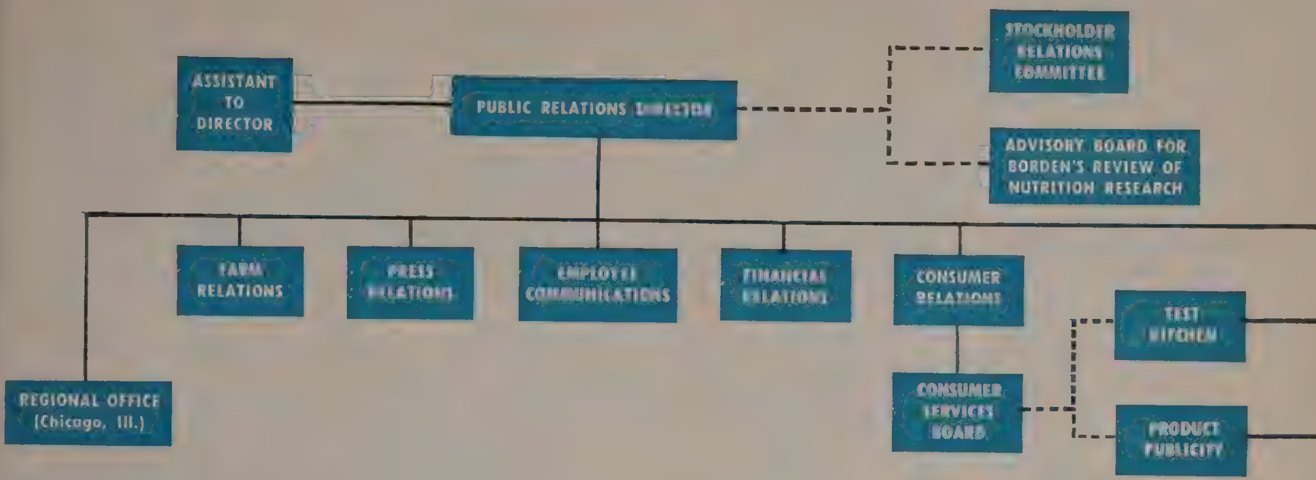
• According to divisional or regional sections. Company PR departments using this system would have PR men assigned to various divisions (such as different product divisions) or to various regions of the country.

Actually the PR department is rare that follows one of these three basic types exactly; most are a combination of two and often three. The three organization charts on these pages show three different company PR departments. Procter & Gamble has set up its PR department mostly on the basis of areas of activity. The PR department of Borden Co., on the other hand, is set up almost entirely on the basis of publics it wants to reach. The third chart, showing Ford Motor Company's PR department, combines all three: it has sections covering areas of activity, sections covering publics to be reached, as well as **both** regional and divisional PR sections.

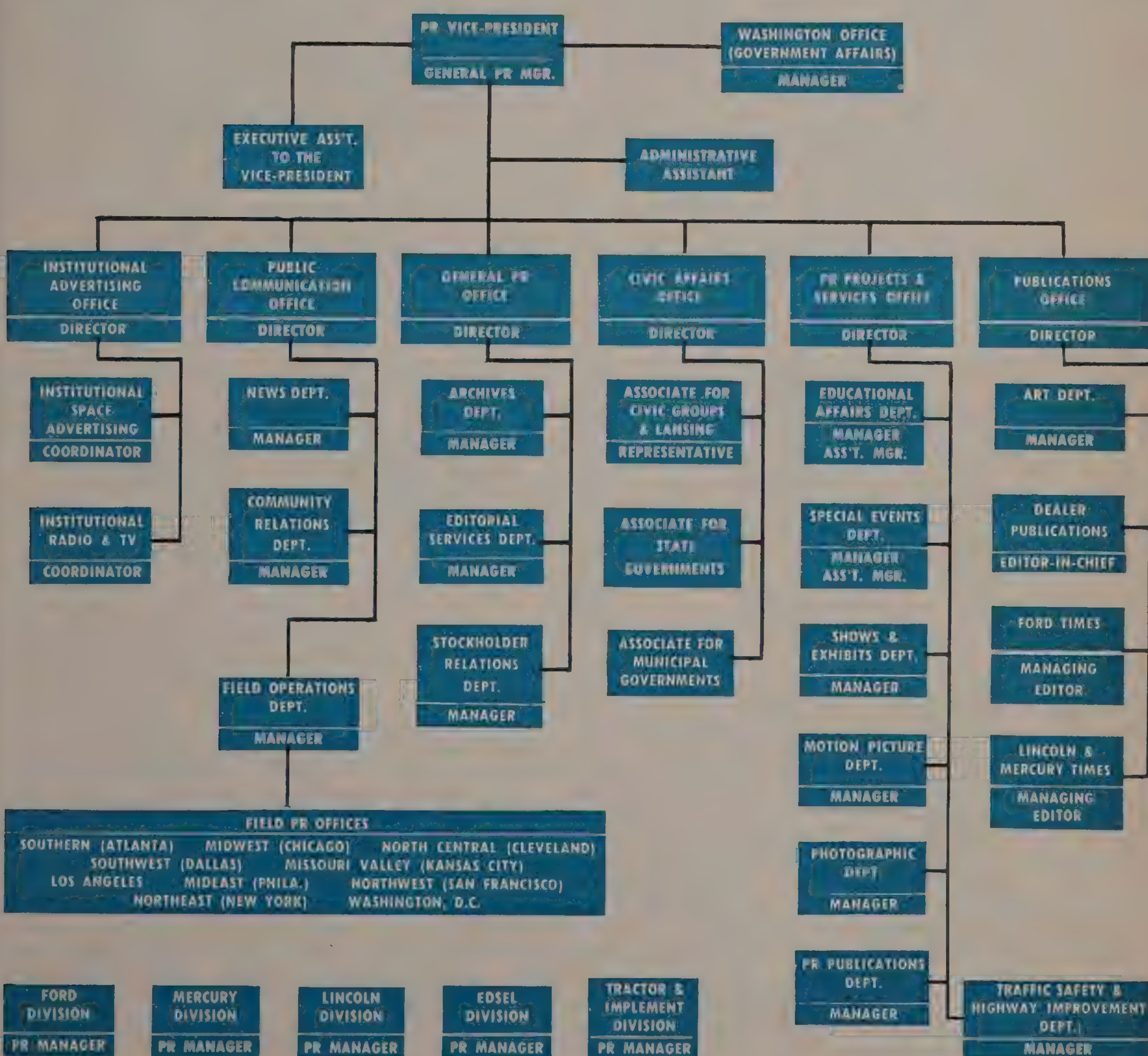
PROCTER & GAMBLE



BORDEN CO.



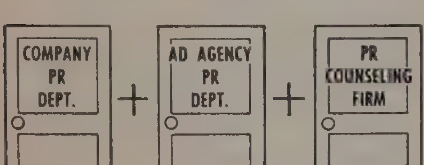
FORD MOTOR CO.



➤ The 11 of Panel companies which use a PR counseling firm to back up their own company PR department point out many advantages to their system. Robert F. G. Copeland, assistant general sales manager of Ford Motor Company's Edsel Division, claims it offers "The intimacy of a bedroom with the results of a strategy board," says it has proved best through the test of experience. Graflex marketing manager J. L. McCoy believes it "Gives a fresher approach to PR operations than when our ad agency did both," although the present system requires some additional orientation for both PR and ad agency personnel as well as more administrative control.

"It is our conviction," says Jacob Rupert PR director Joe Gould, "that no PR firm can match the efforts of an able full-time PR director. A full-time man is certainly more aware of the day-to-day needs of his company. However, outside PR firms are hired to assist in special projects which cannot be handled entirely by the limited manpower of the company's PR staff." Gould likes the system because it allows "flexibility" in selecting a PR firm which can strengthen Ruppert's PR department in areas of special need. The only major drawback, he adds, is that an outside PR firm is so anxious to impress a new client that it begins to function in all areas, inevitably duplicating the activities of the company PR department.

Some companies report that their company PR department splits duties with the PR counseling firm. Revlon advertising vice - president George Abrams explains that Revlon's PR department handles fashion and company publicity, while its PR counsel handles TV publicity and financial corporate publicity—and he adds that they function and coordinate well. And John J. Corrigan, ad manager of B. F. Goodrich's Sponge Products Division, points out that with the machinery and contacts its PR counsel has, Goodrich now gets "better acceptance of the PR material released by us."



➤ Not too many companies are big enough to be able to afford using, in addition to their own PR department, both a PR counseling firm and their agency's PR department. Two of these reporting via the Leadership Panel are Procter & Gamble and Bristol-Myers.

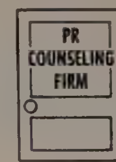
O. M. Gale, manager of P&G's PR Dept., explains that this system helps P&G distinguish between brand PR (brand publicity, school programs, medical relations, etc.) and corporate PR. On the latter, says Gale, a separate PR counsel handles it; the former is divided among P&G's PR counsel and its many ad agencies. Gale likes the system because "Frequently PR counsel has broader contacts and experience than our company PR Dept., while the latter has deeper knowledge of the company's problems, policies and personality."

Donald S. Frost, Bristol-Myers ad director, explains that this system simply developed in his company and has worked effectively. It's flexible, he claims, and offers "the opportunity to delegate work to the group best qualified to handle it." It has only minor drawbacks, he believes, in that it leads only occasionally to a lack of coordination.

> **How Tide's Panel works**
>
> The Tide Leadership Panel is composed of approximately 1,100 executives. They represent top-level advertising, marketing and public relations men in companies as well as leading executives in advertising agencies.
>
> The Panel is surveyed by questionnaire each month on subjects of current interest. The accompanying article is based on 640 returns out of a total of exactly 1,121 questionnaires mailed—a return of 57%.

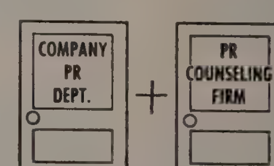
➤ Integration with total marketing strategy is the reason most companies give for using only their agency's PR department to handle public relations. Other reasons: lack of an adequate budget to set up their own PR staff and no need for more PR facilities than their agency can provide.

A. F. Altree, marketing director of Kimberly-Clark, Ltd. (London), says his agency does all the PR work "so that it can be integrated most easily in our total marketing strategy." Altree reports that the system is working "fairly well" although communications between the agency marketing group and the agency PR group is not what it could be. A. W. Scott, ad manager of Standard Pressed Steel Co., uses the system because "Our particular agency is reputed to have the best PR department in the area" and, he adds, because it offers closer control over the PR operation.



➤ Those companies which use only a PR counseling firm claim that it relieves them of the PR workload which, in most cases, they haven't the budget or the time to handle themselves. Englander Co. is one company which has only a PR counsel and Richard W. Girvin, ad manager, calls the set-up "most logical" because his PR counsel gives "concentrated attention" to Englander's PR problems. Bennett-Ireland ad director Edward J. Leahy prefers the system because "It relieves our department of a great deal of work" and because it's "efficient and practical." The drawback, he believes, is that "Sometimes it's necessary to spend more time explaining than it would take to 'do'."

The most interesting reason for having a PR consultant is given by an agency president: Walter Guild, president of Guild, Bascom & Bonfigli. Says Guild bluntly: "PR is not properly an agency function."



➤ Very few companies use the facilities of both an independent PR counsel and their agency's PR department without having a PR staff of their own. Those that do want extensive PR programs without having to handle them themselves, and they usually let the counsel do the corporate PR work while the agency PR department handles brand publicity. As the ad director of a major Chicago firm explains it, "They compete to see which can do the best job—and it keeps both of them out of my hair." Adds a New York vice-president: "It works fine. The agency PR department handles product publicity, and the PR firm handles corporate PR. Neither steps on the other's toes, and they seldom ever bother me. It's an ideal arrangement from any angle."

"I resolve . . .

. . . not to get upset over the way the ball bounces . . .

. . . to roll with the punches . . .

. . . to keep my eye on the big picture . . .

. . . not to talk off the top of my head . . .

. . . to keep filled in on the situation . . .

. . . to button things up early . . .

. . . to always be in there pitching . . ."

Where advertisers can find

How would you like to sponsor a hot city council session on television for less than $100? One Texas advertiser recently did. Other advertisers over the country are snapping up other television bargains, like $3 spot announcements and $42 name shows.

Such unprecedented opportunities are becoming available through the new medium of closed circuit programing, currently developing as an adjunct of Community Antenna Television. Community TV — towns cut off from normal TV reception subscribe to a system utilizing a super-sensitive antenna and cable transmission to homes — relieves television's coverage gaps. Sametime, the growing closed circuit programing on these systems fills certain gaps in community TV.

Community TV so far has let a good part of its facilities go to waste. Most of the 500 or so systems over the country (see map) are electronically equipped to receive and re-transmit five programs simultaneously for their subscribers' choice. In many cases, however, only two or three stations are receivable—leaving part of the cable channels unused.

To utilize these idle channels some 50 operators have turned program producers—setting up their own low cost programing and piping it simultaneously with network and local station presentations. By selling sponsorship of these programs—most of them movies and "canned" shows but some of them live—to local merchants, operators are expanding profits as well as service.

What is the potential of this aspect of community TV? Only a decade old, community TV with its 500 antenna systems grosses nearly $20,000,000 anually. Its present servicing of more than 400,000 TV sets (which represents but 40% saturation of present systems) is concentrated in the Appalachian and Pacific northwest regions where mountain barriers deflect signals. Last year it enjoyed an 8% expansion in number of systems, and the electronics industry which supplies its equipment expects it to continue growing, slowly but steadily.*

What that industry really hopes is to get groups of businessmen to sponsor such systems. Some of the lures: electronics research has yet to find a way of bending television signals around mountains. Community TV's only competitor is the traditional booster station system, which, while free to the public, is not financially interesting to investors. Community TV, an intrastate operation, does not fall under FCC regulations (e.g., rates) and attempts by states to declare the systems public utilities have met defeat in court. Average charges to subscribers are now $100 initially, plus $3.50 a month service charge. Though total potential of systems now existing is a sparse 1,000,000, there are plenty of U.S. areas in need of the super-sensitive antenna.

A recent project which seems to be off on the right foot is that of Consolidated TV Cable Corp. (Wenatchee, Wash.). Less than eight months old, it is already returning a healthy profit for its investor.** Consolidated, which began operating in 1953, serves some 5,000 subscribers through its cable which includes the towns of Wenatchee (pop. 13,800) and adjacent Cashmere (pop. 1,768). To supplement its channeling of three Spokane stations, it transmits its own closed circuit programs during the 9:30 to 12:30 morning period.

General manager Chester Murphy considers his wide variety of local shows—which cost but $30 to $50 to produce — the main draw. Among those are a children's show put on by the local librarian, talks by a local doctor, regular sessions of the Country Commission, local news and weather. Outside of amateur participants, the operation utilizes but seven persons—program director, cameraman, control man and their assistants.

Murphy reports film costs are dropping. For instance, he can buy an hour Lawrence Welk Show for $20. And many suitable films, says he, are available free of charge, such as the religious Christopher series.

Ad costs range from $5.50 for a one-minute spot to $42 for sponsorship of a 30-minute program. New advertisers are offered a "get acquainted" rate of $3 for a 30-second spot (13 weeks).

Even though Consolidated's ad program is less than six months old the operation claims it already averages monthly ad revenue of $3,000, against a minimum $2,000 programing cost. ■

*Jerrold Electronics Corp. (Philadelphia) supplies more than 70% of the electronics equipment, followed by Entron, Inc. (Bladensburg, Md.); Spencer-Kennedy Laboratories, Inc. (Boston), and RCA.

**Controlling stock is owned by the venture capital investment firm, J. H. Whitney Co. (New York).

SYSTEMS IN OPERATION

ALABAMA		
	Subscribers	4,700
	Potential	14,600
ARIZONA		
	Subscribers	4,620
	Potential	13,300
ARKANSAS		
	Subscribers	4,267
	Potential	9,950
CALIFORNIA		
	Subscribers	20,881
	Potential	58,750
COLORADO		
	Subscribers	7,913
	Potential	15,750
FLORIDA		
	Subscribers	16,388
	Potential	48,155
IDAHO		
	Subscribers	15,888
	Potential	38,955
ILLINOIS		
	Subscribers	2,650
	Potential	6,880
INDIANA		
	Subscribers	100
	Potential	100
IOWA		
	Subscribers	4,000
	Potential	1,000
KANSAS		
	Subscribers	2,100
	Potential	5,400
KENTUCKY		
	Subscribers	14,452
	Potential	23,975
MAINE		
	Subscribers	600
	Potential	800
MARYLAND		
	Subscribers	6,950
	Potential	15,800
MASSACHUSETTS		
	Subscribers	1,968
	Potential	4,750
MICHIGAN		
	Subscribers	2,518
	Potential	8,218
MINNESOTA		
	Subscribers	825
	Potential	2,800
MISSISSIPPI		
	Subscribers	4,636
	Potential	18,700
MISSOURI		
	Subscribers	700
	Potential	1,800

community television systems

Total number of community TV systems: **504**
*Total number of subscribers: **416,535**
*Number of potential subscribers: **942,938**

*Source: Standard Rate & Data; where statistics were not listed, estimates were used of the national averages of subscribers and potential subscribers per area.

State	Subscribers	Potential
MONTANA	7,382	19,800
NEBRASKA	2,000	3,900
NEVADA	2,998	13,750
NEW HAMPSHIRE	2,054	9,600
NEW JERSEY	550	2,000
NEW MEXICO	5,455	13,150
NEW YORK	19,606	52,400
OHIO	7,833	17,750
OKLAHOMA	5,315	9,100
OREGON	29,743	76,395
PENNSYLVANIA	103,450	183,225
SO. DAKOTA	765	3,700
TENNESSEE	3,325	9,500
TEXAS	20,551	43,900
UTAH	2,015	4,220
VERMONT	9,919	19,800
VIRGINIA	2,222	7,500
WASHINGTON	29,968	55,210
WEST VIRGINIA	33,035	72,400
WISCONSIN	2,055	7,100
WYOMING	10,138	29,500

Medicine's debt to advertising

By Dr. Philip Reichert

PHILIP REICHERT, M.D., formerly Fellow of the Rockefeller Institute for Medical Research, now holds Fellowships in the American College of Physicians, the American College of Cardiology and the New York Academy of Medicine. He is vice-president and director of the professional division of Doherty, Clifford, Steers & Shenfield and directs the course in Medical Advertising and Promotion given at New York University.

ON A bright morning just a little more than a century ago, a 29-year-old Hungarian doctor had satisfied himself that he could save the lives of thousands of mothers dying of childbed fever. In the Viennese clinic where he was working, one woman out of every five died after childbirth from a mysterious infection. Thirty years ahead of Pasteur, young Ignatz Semmelweiss set up a disinfecting solution for the doctor's hands, and the spread of the disease was immediately and dramatically stopped.

➤ **The pompous head of the clinic soon put an end to all this newfangled nonsense and tried to set the young man back into his proper place.** Semmelweiss eventually died, worn out in body and spirit by a long struggle to prove what Pasteur was destined to confirm 20 years later. By that time everybody had forgotten Semmelweiss and many thousands of women had died in the interval.

If Semmelweiss had lived in our age of communication, there would be tabloid headlines, a newsy story in the evening papers, an interview in Time with an indignant denial by old Professor Klein that the method was any good. A scout from a leading pharmaceutical company would get the formula from Dr. Semmelweiss, give him a grant to set up more experiments, get clinical research started in some of the best women's hospitals with several series in many cases, test the toxicity of the solution on animals, and the scientific results would soon be reported in the medical press.

Shortly thereafter the Semmelweiss formula would be on the market with a flood of space advertising and direct mail to every doctor in the country. Poor old Dr. Klein's voice would be lost in the avalanche of statistics, lowered death rates, less afterbirth sickness, all reported in attractive and reliably emphatic terms in one mailing piece after another.

➤ **The other pharmaceutical companies would not stand idly by as this new market opened.** In feverish haste they would summon their scientific cohorts and experiment with other formulae. Soon a newer, more effective, less toxic solution would be offered, its competing claims carefully authenticated. There might be a score of newer, better products. The advertising would be such that not a doctor in the country could possibly be ignorant of this new boon. Semmelweiss would be riding to his (sponsored) lec-

tures in a shiny new Cadillac; Wall Street would be happy, the doctors busy. Before the end of that same year child-bearing would be safe and childbed fever would be a curiosity, like smallpox, rabies, diptheria, typhoid, scurvy and mastoid operations.

This, of course, is fiction, but truth is stranger still. It was 300 years before Harvey's discovery of the circulation of the blood led to the clinical use of the blood pressure instrument. The sulfonamides were on a laboratory shelf for 30 years or more; penicillin took 10 years and a World War to be discovered and put to use in saving lives. The lag between laboratory and bedside was long accepted as a necessary part of the pattern of medical progress . . . and then something happened to change everything. The lag was abolished!

Products started tumbling out of the laboratory in such profusion and in such haste that someone said "there ought to be a law" . . . and at once there was! There came the rule book of the FTC, and the rule book of the F. & D.A. to slow down the mad process. But the lag is definitely gone, and it never will return. We have swapped the lag with its misery and poverty and death for a bright new picture of industry, widespread subsidized research, longer life and better health, a higher standard of life, of work, of leisure . . . all this not without some griping and complaints, but only an idiot would want to go back!

➤ **The one basic change is in communication; everything else is much the same except for that.** No longer does the isolated scholar work in his isolated university laboratory, often on things already discovered by a far-off colleague. The word gets around, fast. Knowledge is multiplied by many people in many places. The tempo is up because the world is smaller, things and places are nearer. Facts are known quickly, tested again, rejected or confirmed, put into the pattern of industry and into use in months instead of decades. Communication is the magic of the new order.

Like everything else in life, communication has a price, and those who benefit must pay. And like everything else for which we pay, we weigh the cost against the benefit. In the field of medicine, the balance tips far down; no one in our culture of today will set a price on lives saved, on health restored, on children growing out of the shadow of the old plagues. We have turned our backs to scurvy and rickets, and the pox, and even on whooping cough and measles; we are pouring money into polio and rheumatism and cancer research, for we still have plagues to conquer.

In this communication network, advertising plays a major part, in size, in influence and in responsibility; none know this better than those of us who work in it. No matter where we look or turn the messages are there, some more important and some less; but no one can avoid them. They pound facts into us: engineering facts about refrigerators and automobiles, nutrition facts about food values and vitamins, facts about fabrics and plastics and metals and cruises to foreign lands. We are well informed; we cannot help ourselves. And nowhere is the spread of facts so urgent and important as in the field of medicine.

➤ **The target audience of medical promotion is in a high echelon of technical training, analytically minded, critical of claims.** Constantly eager to know new facts, doctors are charged with a heavy moral and legal responsibility in applying new remedies. Patients demand the newest therapies, but when something goes wrong they will be bitter about having been "experimented upon." This continuing dilemma makes the doctor cautious, even suspicious about advertising claims, places the burden of impressive proof upon the copywriter, demands an extraordinary amount of technical know-how.

Copy claims are presented by a manufacturer upon the filing of each "New Drug Application" with the Federal Food and Drug Administration. They are accepted for filing only when they are well substantiated by both animal toxicity studies and reliable reports of clinical results. These filed claims are the legal boundaries within which the copywriter must work. Both the manufacturer and the advertising agency share the risk of wandering beyond the authenticated claims. The medical copywriter in such a straitjacket must compete successfully for attention, and then convince the most critical and cautious audience in all advertising.

From the point of view of responsibility the products are unique. They are not luxury or comfort items. They often deal with serious disabilities and even life and death. They are not lightly accepted and used, for often if they do not justify their claims there will be no second chance. Exaggeration is dangerous; concealment of pertinent facts may be disastrous. Here is one place in advertising where honesty pays off, where even mild dishonesty is barred. For nothing exceeds in value to a manufacturer a reputation for consistent reliability.

➤ **The media that reach this segment are many and specialized, from a post card to closed circuit television in color.** The medical moving picture has been developed to a point where there is a central file of subjects so that a program chairman can select a film for a special audience or occasion. All these methods are most effective when they carry information, authentic and useful. Expensive as the project may be, the manufacturer that foots the bill must content himself with a by-line—and in practice he has found that that is quite enough. The more he strives for the conservative, the more honest and informative his message, the greater his prestige and the better his business growth.

On this basis the pharmaceutical industry has had a rapid growth; it is one of the largest in our present economy. It has recognized the importance of research in pure science; company research labs are built and equipped and staffed for the well-oiled efficiency of modern business and their results have achieved high academic recognition. Their reports merit publication in the most conservative scientific journals. Their most important contributions are naturally in the field of immediately useful therapeutic agents, to enrich the armamentarium of the physician at the bedside. This last is the crucial test of the entire process.

➤ **The best mousetrap in the world is of no use until someone buys it and sets it to catching mice; its virtues must be advertised.** The medical manufacturer must do more than that; he must see to it that his wares are used correctly and that he builds a reputation for success. This means an educational campaign, often costly personal demonstrations in offices, in hospitals and at medical conventions. A heavy proportion of his profit must go into this educational effort; he may not skimp on its amount, or above all on its caliber.

Medical promotion is a new career, an exacting combination of medical expert, pedagogue and advertising executive. It has achieved the distinction of a university course, and it is growing to fill the growing needs of the industry that fosters it.

➤ **The net result of all this activity amounts to a continuing post-graduate course for the practicing physician. He** receives it without cost and without effort. He often denies it, and sometimes he resists it, curiously enough, but if he has eyes and ears he cannot escape it. The wisest physicians knows that the most reliable compendium is the promotional literature of the manufacturer; it cannot risk being wrong! ■

Waste King's sales success

The company grew from an idea in 1946 to top seller in its field which includes General Electric, Westinghouse, Frigidaire and other giants.

SUCCESSFULLY launching a new product is hard enough if you have the formidable name and bankroll of a General Electric or Westinghouse. How Waste King Corp. (Los Angeles) grew from an idea in 1946 to top seller in its field (which includes GE, Westinghouse, Frigidaire, Hotpoint, Philco, American Kitchens, Kelvinator, Youngstown) is thus a pretty inspiring saga.

Waste King's idea: an electric food waste disposer which hardly makes a sound when operating (this silencer is patented by Waste King). Under founder-president Samuel Given, sales steadily climbed to $11,700,000 last year.* This year, Given expects sales to hit $16,500,000 and his one-millionth disposer will shortly roll off assembly lines.

Indeed, Waste King claims to be the world's largest producer of food waste disposers, with almost one-third of the $62,000,000 annual food disposer market. Further, the 600-employe corporation claims to have a firm hold on the commercial market for food waste disposers (e.g., hotels, restaurants, schools, hospitals).

The profits picture is less outstanding. Net income reached a high $527,569 in 1951 slid to $310,296 in 1954 and to $159,239 last year. But last year's profits drop, explains Given, results from a $500,000 investment in new product development (and a plant shutdown for retooling) so that Waste King can grow even bigger.

➤ **What is the secret of Waste King's success? According to Given, there ar[e] two basic reasons for it: the dispose[r] itself with its silencer; the way Wast[e] King is distributed.**

Given says that Waste King's "hush" equipment (special rubber mounts be[-]tween all parts) grew from $500,00[0] worth of research before the compan[y] was formed in 1946. Ads for Wast[e] King still feature the "hush"—e.g., [a] housewife talks on a telephone place[d] near an operating Waste King Pulver[-]izer. Both Waste King's competitivel[y] priced $99.95 disposer or $79.95 mode[l] (installation extra) contain the "hush" equipment.

The really unique aspect of Wast[e] King's story is its sales plan: it intro[-]duced Waste King city by city rathe[r] than by going national in one full swoo[p] (impossible in view of the company'[s] limited finances).

*Given, one-time operator of a Texas shoe chain, switched to running a machine tool manufacturing firm in Los Angeles, turned that into the Given Mfg. Co. which this year became Waste King Corp. (brand name of its disposer).

Sam, Bertram and Howard Given
They went national city by city

Waste King disposer ads now run in major national magazines

The first move of executive vice-president Bertram Given (his brother, Horace, is manufacturing vice-president and secretary-treasurer) and sales manager A. L. Haggard was to recruit a sales force in Los Angeles, home office of Waste King.

The sales force, led by a regional sales manager, then took on several tasks. First, it recruited a network of both plumbing jobbers to distribute Waste King disposers to plumbing dealers and plumbing contractors to sell them directly to consumers. Waste King's salesmen then supplied dealers with advertising materials, ran in-store demonstrations of the disposer and helped dealers canvass door-to-door (a Waste King salesman hauls the disposer around on what the company calls a "Pulver-aid" cart, a self-contained unit which demonstrates the disposer's ability to grind up food. Housewives see the waste drain into an attached plastic bag. The clincher is a seven-day, free-trial, free-installation offer.

Still other missions of Waste King's salesmen was to tell the Waste King story to builders of new housing developments, sell municipal authorities on the value of Waste King disposers in new homes: health, convenience, lower taxes. For example, missionary work among builders and municipal officials resulted in installation of a Waste King in every one of the 18,000-homes in Lakewood, a new Los Angeles suburb.

After the Los Angeles plunge, Waste King repeated the same technique successively in San Francisco, Chicago, Detroit, Denver and other cities. Other communities joined the distribution network without Waste King's formally setting up a sales force (a Chicago plumbing jobber with a trading area 75 miles in radius, for example, brought Milwaukee into the fold).

➤ **By 1949, Waste King was well on its way to national distribution. Today it has six regional sales offices (Atlanta, Chicago, Denver, Detroit, Los Angeles and Philadelphia) and some 10 district sales managers in other parts of the U.S. reporting to various regional sales managers.** The only places Waste King does not have sales representation is in areas where legislation prohibiting disposers still remains: parts of New York State, including New York City, parts of Connecticut, New Jersey, Pennsylvania, including sections of Philadelphia, and Miami. Waste King estimates that 600 plumbing jobbers supply its disposers to 10,000 plumbing dealers.

It was not until 1949 (when city-by-city expansion of distribution began to pay off) that Waste King broke its first national consumer advertising. Before that, the company's ad budget went strictly into business papers catering to the construction and plumbing fields and into cooperative advertising (the company splits ad costs 50-50 with dealers). It was also at that time that Given made Harold J. Fatt, then regional sales manager in Chicago, advertising & sales promotion manager of the whole firm (today Fatt's nine-man staff runs Waste King's co-op program, originally in the hands of Waste King's ad agency, H. M. Gardner & Associates of Beverly Hills, which now concentrates on national advertising).

Fatt works with account executive Harold Gardner (in his 10th year on Waste King). Fatt's staff and Gardner's 5-man unit have plenty of room ahead since saturation of food waste disposers is a mere 5.6%. Only dishwasters, at 4%, have similer potential.

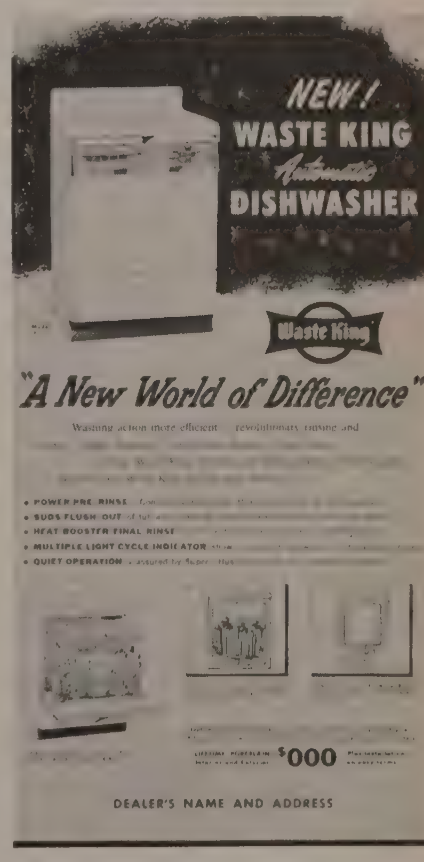
➤ **By 1950, Waste King had adopted its basic media policy of concentrating its consumer ads in home magazines (e.g., Better Homes & Gardens, House Beautiful, Sunset) a policy it still adheres to (it continues to spend $40,000 a year in business papers).** But it also experiments. In 1951, Waste King ran a half-page, two-color ad in Life promoting its disposer as a Christmas gift. And the following year Waste King ran three ads in Satevepost—the theme: buying a Waste King means you don't see, smell or touch garbage. More recently, Waste King touched off a year-long dealer promotion for its millionth disposer with a full-page ad in Time is a mere 5.6%. Only dishwashers, at 4%, have similar potential.

➤ **Waste King's next ad move (due in 1957) will be a consumer campaign for its new Waste King dishwasher (four models range in price from $319.95 to $374.95).** Launched with a full-page ad in last June's House Beautiful, the dishwasher will have a bigger campaign after Waste King achieves wider distribution among plumbing jobbers and dealers. "We're distributing our dishwasher city-by-city the same way we did the disposer, but, of course, it's faster".

The Waste King dishwasher is part of the corporation's over-all plan to diversify. Last January, for example, Waste King began making a line of gas and electric ovens and ranges (yet to be advertised nationally to consumers). Waste King also has an incinerator, not nationally advertised either, which it claims now has 20% of the home incinerator market.

With its reputation firmly established thanks to the disposer, Waste King marketers think it will be easy from now on to spread this success over several products. ■

Agencyman Gardner: disposers and dishwashers have biggest potential



Other Waste King brand products are on their way to market

Miller Brewing's Ball: Tie beer to the luxury spree

Miller High Life's comeback

The brewer bids for more sales with a strategy different from competitors.

AS POSTWAR incomes began their rise, beer consumption began a slide which the brewing business has yet to reverse. Neither per capita consumption (steadily dropping) nor total barrel sales (1947 remains the peak) have so far responded to brewers' enticements. Dealers discounts, price cutting, premiums are continually tried to revive waning interest; some lasting lures are doubtlessly the new packages (six-packs, half-quarts) and the lower price brews from the national masters. The advertising front particularly reflects the turmoil—witness the agency and media shifts of recent years. But even the topmost brewers remain afflicted by years of static volume, or worse. Anheuser-Busch last year sold 1,000,000 barrels fewer than in 1953. Pabst had nearly as big a dip. Schlitz sold no more than it sold in 1951. Those brewers are fighting back hardest with maneuvers ranging from new brews to new ad agencies **(Tide—August 10).**

➤ **Their struggles spotlight the one brewer among the nationals which, for better or worse, appears as serene as a Virginia belle.** Miller Brewing Co. (Milwaukee) continues to sell but one beer—premium-price Miller High Life—brewed in one plant, capped in the same plain bottle. It has raised prices rather than cut, narrowed its line rather than expanded. And its advertising program flows on virtually unchanged, season after season.

Probably its ads provoked most wonder of all. On the surface, they present a pretty bland face to the public. Stylish color photos picture stylish people doing stylish things, the product seemingly an after thought. Anything but hard-hitting, at cursory glance they seem to lack point as well as punch. Competitors scorn them as "precious" and "women's-type ads."

But they have held Miller in beerdom's upper 10 for the past decade.*

The sole one-plant one-product operation among the leaders, Miller has managed to maintain such status (it's currently tenth) despite two major internal blows—a 77-day brewers strike in 1953 at season's peak, and the death (in an air crash) in 1954 of its aggressive president, Fred Miller.

The company's fight back to 1952's record sales of 3,000,000 barrels is slow but steady. Sales in 1955 stood at 2,190,860 barrels, an increase of 4% over 1954. Three-quarter reports for 1956 show sales of 1,788,109 barrels, as compared to 1,759,613 during a similar period last year.

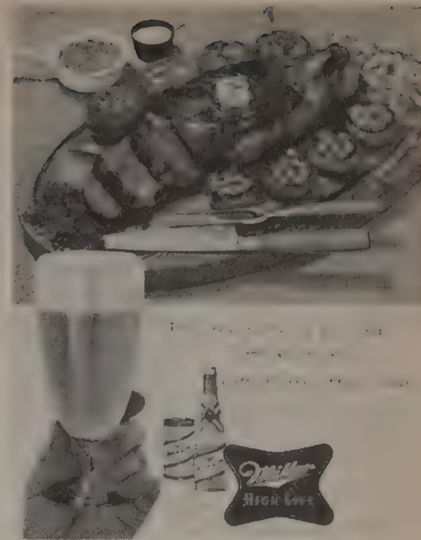
Miller plans no departure from its one-plant operation. Its current president, lawyer Norman R. Klug, who joined the firm in 1945, believes that Miller's quality can best be maintained by restricting its processes to its home plant. At the family owned Milwaukee brewery, which recently underwent a $50,000,000 expansion program, the hops ferment under the captious eye of master brewer Edward W. Huber, who is also vice-president and secretary of the firm.

With all its eggs in the High Life basket, Miller's ad program must plainly be a carefully planned one. It is now managed by Edward G. Ball, 40, who recently assumed directorship of the company's advertising after years of handling it from the agency side of the desk, as a vice-president and account executive of Mathisson & Associates Inc. (Milwaukee).**

➤ **Miller's ad program operates on the premise that the decline in beer drinking is due to prosperity.** "People who formerly drank beer because they had a beer income are now drinking bourbon or scotch, because they have the money for luxury spending," says the native Milwaukian who is responsible

*The ten top breweries, headed by Schlitz, produced more than 42% of all malt beverages sold in 1955. Anheuser-Busch ranked second, Ballantine third.

**Another architect of Miller's advertising policy has been Vernon S. Mullen, Jr., who resigned in June as Miller's advertising manager, later joined Leo Burnett Co., Chicago, as account executive for the agency's client, Pabst Brewing Co.



These Miller High Life ads aim to make beer belong in any stylish setting

or the firm's $5,000,000 annual ad udget. "You rarely hear of beer paries any more," says he. "Good times ave made beer something of a social utcast."

What can beer do about this? Delares Ball: "It can tie itself to the uxury spree by presenting itself as a uality product. Beer can become asociated with today's demand for fine omes, cars and food by being porrayed always amid such settings. Miller's ads give beer style. They are deigned to win over those people who et the pace in their communities by utting Miller High Life in such a light hat no hostess need apologize for servng it."

That it is the hostess who is serving nost of the beer these days, instead of he barmaid is another of Miller's working facts. Ball points out that the trend oward staying at home, television vatching and suburban living (the vorker has less time to catch a drink n his way home) have upped home eer consumption over bar and night lub. Thus women (who drink but 22% f it) do most of the beer buying at he supermarket. Miller's ads appeal to vomen—but for a clear-eyed purpose.

As Ball sees it, the industry's task is o "re-popularize beer." Not only tie it o the desire for better living, but emhasize beer's own quality—taste apeal. He further thinks the business can elp along the growing U.S. habit of rinking beer with meals. Miller currently combines these several points in n ad series it calls "fine food settings," unning in general and women's magaines (see cut). These feature mouthvatering color close-ups of choice foods rotisserie chicken, lobster, steak, game fish), flanked by a serving of pale beer in a crystal goblet. Only in the background, and subdued, does the bottle appear. Graceful script type advises: "For the taste of your life go first class with Miller High Life."

A second current series running in "prestige" magazines uses these ideas but accents the family. Handsome young married couples are arrested at moments of enjoyment in fashionable settings—at the seashore, in a gourmet shop, at an outdoor grill. Again food is in the picture, and, of course, the brimming goblet. "Quality is always in good taste . . . good taste is always in Miller High Life," observes the copy.

Male leisure pursuits, recreation and sports, theme a third series, tailored specially for men. Food snacks popular with sportsmen are featured, alongside the golden brew. These run in men's, sports, outdoors and fraternal magazines. Altogether, Miller spends some $650,000 on its ad program in 21 national magazines.

➤ **Latest extension of Miller's quality theme is its forthcoming entry into television drama, accompanied by a reduction of its sports-casting schedule.** Starting January 3, it will co-sponsor Wire Service, an hour-long drama, over 107 ABC-TV stations. Miller signed for 26 weeks at an approximate cost of $1,000,000, giving the newest medium its largest single budget slice. Spot television and radio will continue to plug the quality theme ("Why settle for less than the best when it's your own personal pleasure involved?") Sametime some $682,000 will be spent on outdoor advertising to deploy the class message across the outdoors.

Miller further carries its themes into packaging. The brew now comes in six different size packs, or cartons. The company retains designer Brooks Stevens to keep its packs in line with shoppers' fancies.

Last but not least, Miller points to the product itself as its foremost quality representative. Among its costlier ingredients claim is the use of 10% more malt per barrel than other brews at its price range. When, during wartime rationing, the brewery had to decide whether to curtail production or lower ingredient standards, it chose the former. Again, it chose to raise prices instead of lower standards following the costly strike in 1953. Thus it thinks it's justified in calling its product "the champagne of bottle beer."

But Miller, now rounding out its 101st year in the business, can hardly be complacent. It frankly wants more sales. And ad director Ball is out to plug these time-tested themes harder than ever. To him, the quality pitch is clearly the answer—to make beer "belong," particularly High Life, to justify High Life's premium-price, which can't be tampered with in view of shipping costs from Milwaukee and which are necessary to keep Miller profits up in a profit-squeezed industry.

Ball sums up his attitude this way: "Nobody need fear that beer drinking is on the way out. People have been drinking beer for 6,000 years, and they're not going to stop in the middle of the 20th Century. Actually, beer drinking is more widespread than ever before—it's just that individual quaffing has decreased, because folks nowadays can afford the fancier drinks. They've still got beer in the icebox, though. We've just got to make them bring it out more often." ■

Tide ADVERTISING INDEX

National advertising volume, sparked by record expenditures in network television and business publications, climbed to an all-time high in October.

The **Tide** Advertising Index, prepared by J. K. Lasser & Co., hit a peak of 236.7 points in October, a 9.3% increase over 1955's October. It accomplished this despite volume slumps in two of the six major measurable media, thanks to network TV.

Network television reached its record high of 443.5 Index points in October, a whopping increase of 23.6% over 1955's like month when its Index point total was 358.9.

With the exception of outdoor and farm publications, the other major measurable media racked up healthy increases:

• **General magazines** climbed 11.5% in October over 1955's October, a jump from 180.3 Index points to 201.1.

Newspaper advertising went back on the upswing in October, gaining 7.1% over 1955's October and climbing from 224.4 Index points to 240.4. Total linage increase was 6.3%, thanks mainly to a 16.7% boost in general linage.

• **Business publications** showed a smaller gain, a 3.3% jump from 218.0 to 225.2. Though the increase itself was small, the October Index figure represents a new all-time high for that medium.

• Both **outdoor** and **farm publications** suffered slight drops; outdoor took its usual seasonal slump, falling 5.9% from 169.8 points to 159.8. Farm books slipped 1.3%, from 126.9 points to 125.3.

The year-to-date figure for national advertising volume is also a record high, and represents a substantial 9.8% increase over 1955's comparable period. Network radio figures are not reported due to rate complications, but an estimate is included in the Index for consistency.

National advertising for October, 1956, was up **9.3%** over October, 1955

NETWORK TELEVISION
up **23.6%**

MAGAZINES
up **11.5%**

NEWSPAPERS
up **7.1%**

BUSINESS PUBLICATIONS
up **3.3%**

OUTDOOR
down **5.9%**

FARM PUBLICATIONS
down **1.3%**

YEAR TO DATE

	1956	1955	% Change
National advertising	197.1	179.5	up 9.8%
Newspapers	190.5	178.0	up 7.0%
General magazines	160.6	144.6	up 11.1%
Network television	376.6	308.8	up 22.0%
Outdoor	158.3	154.3	up 2.6%
Farm Publications	124.5	114.9	up 8.4%
Business Publications	198.7	181.2	up 9.7%

THREE-MONTH TREND

	October 1956	September 1956	Augus[t] 1956
National advertising	236.7	198.9	175.
Newspapers	240.4	173.9	155.
General magazines	201.1	173.4	118.
Network television	443.5	367.2	400.
Outdoor	159.8	163.1	160.
Farm Publications	125.3	120.2	94.
Business Publications	225.2	222.8	183.

All index figures are based on 100 equal to the 1947-1949 average, except television, where 100 equals the 1951 average.

Fitch TV commercials feature Debbie Haley, shown with Fitch ad manager R. W. Testement (center) and sales vice-president Gene K. Foss, who are helping her act out the Fitch commercial.

How Fitch fights back

With companies like Bristol-Myers, Helen Curtis, Max Factor invading the anti-dandruff shampoo field, an ad battle is set to start.

AMERICANS last year spent some $122 million for shampoo liquids, lotions, creams, jellies, etc. Other hair preparations, from lotions and lacquer sprays to dyes, boosted the bill to $432 million. In fact, last year the cosmetics industry climbed over the billion-dollar mark ($1.2), a 10% gain for the year and a fabulous 75% rise for the postwar period.

This accent on beauty aids not only reflects American women's insatiable desire for anything new in the way of cosmetics, but also the industry's desire to give out with new products to expand its markets. Last year, aerosol hair spray, skin cream derived from the jelly of the queen bee and silicon hand lotion (for hands exposed to hard water and detergents) were only a few of the new ones. Among the busiest fields: anti-dandruff preparations, with most major companies finally tossing such a product onto counters long dominated by Fitch's famous dandruff-remover shampoo. Among the new entrants:

• Max Factor & Co., which began national distribution of Sebb (derived from dandruff's scientific name, seborrheic dermatitis), a product that is not a shampoo but can be used with regular hair dressings.

• Helene Curtis Industries, which launched Enden Dandruff Treatment Shampoo, containing sulphur, and the first one, officials claim, "to be a medically proven dandruff treatment in shampoo offered without a prescription."

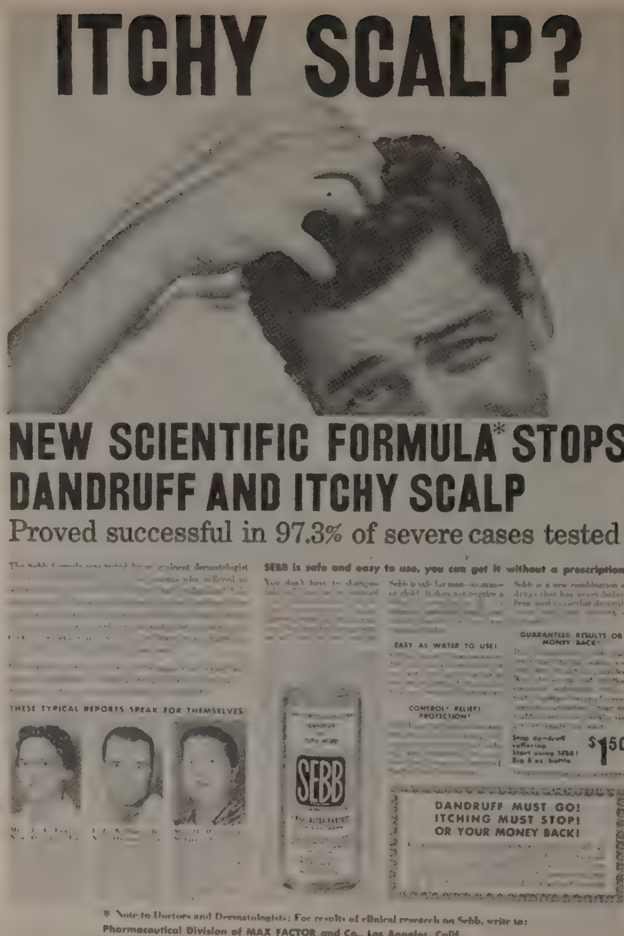
• Bristol-Myers, which began test marketing in six cities Theradan, "a specific anti-dandruff formula for men and women."

• Shulton, Inc., which brought out Thylox, an anti-dandruff shampoo "containing sulfa-particles."

➤ **This attempt by major manufacturers to invade Fitch's field stems from the fact that Fitch, which is now trying an advertising comeback, is less the dandruff dynamo it once was. That leaves an open field and one that will doubtlessly grow bigger as many companies exploit its possibilities.**

The shampoo field is sprinkled with brand names. All types of shampoos are good sellers, and the public doesn't seem to show any lasting preference, except that the cream or solid type is steadily increasing — poundage of the solid type is now about twice that of the liquids, although the liquids still outvalue them, detergent shampoos have most of the market over soap.

One official estimates that 15 cream types have about 98% of that market, that 18 to 20 brands have 99% of the liquid market (some 170 others fight for the rest). Leading cream-type shampoo today is Colgate's Lustre Creme (which once featured a magazine spread endorsement by 30 to 40 movie stars) while P&G's Shasta, Toni, Avon and Helene Curtis are not far behind. Colgate also has the leading liquid, Halo, followed by John Breck's deter-



(Left) Magazine ads back Fitch's big new ad campaign. (Right) Max Factor's Sebb is among raft of new entrants in anti-dandruff shampoo field

gent. Other top sellers are P&G's Drene, Toni's White Rain and Pamper, Jergen's Woodbury, Lanolin Plus, Charles Antell's Formula 9, Richard Hudnut, Helene Curtis and Fitch. P&G's Prell is in the top three or four of the jellies, and only Lever, which has sidetracked Rayve Creme for the moment, is without an entrant among soap's "big three."

➤ **The big suds-up in shampoos came after World War II when Halo and Drene began pouring millions into advertising budgets with their detergent products.** Soap industry officials say American women always seem eager to try products that offer something new. In the case of Halo and Drene, it was the detergent factor, and they shot ahead in sales.

Today, doubtlessly because of the crowded regular shampoo field, the new factor is a revival of the specialized dandruff fighters. Thus Fitch is launching a new advertising campaign involving 52 weeks of television and concentrated ads in three magazines—Life, Look and Satevepost (via Harry B. Cohen)—protect its market.

Advertising will feature an improved dandruff removal formula with emphasis on a brightening process which sales vice-president Gene K. Foss says will make hair brighter by as much as 35%. Fitch also will maintain its long-standing money-back guarantee on the shampoo's basic claim "to remove dandruff with one lathering."

The new advertising theme appeals to youth. The television commercials, which are broadcast on NBC's Today, feature Miss Debbie Haley and are built around "Date with Debbie" situations. Miss Haley is touted as Fitch's "fair-haired girl" (to point up Fitch's brightening qualities) and she is usually surrounded by one or two handsome young men, also with well-combed, brightened hair. Foss says magazine copy will tie in directly with the television commercials.

Until this year, Fitch's advertising was concentrated during the winter months (from October through April) to play upon an off-season strategy. With a limited budget, Fitch and agency officials thought it best to concentrate the advertising at a time when 1) scalp glands are more active, 2) men are more inclined to wear tight-fitting hats which impede scalp circulation and 3) dry, overheated rooms tend to create more dandruff. Sametime, most of the other shampoo makers stressed summertime advertising and sales always rose during the warm-weather months anyway.

➤ **But now, with a fattened ad budget, ad manager R. W. Testement says advertising will be stepped up to a year-round basis.**

Fitch will undoubtedly need all the advertising help it can buy because Helene Curtis says it plans to spend (via Weiss & Geller) some $2,000,000 in promotion on its new Enden. Company officials say Enden contains sulphur, an ingredient that has been used in dandruff preparations for years (and also to treat some other skin diseases). But they add a point: Enden is made of colladal sulphur, not precipitated sulphur used in most other remedies, and they have the market supply at the moment.

Curtis went ahead with national distribution late last summer after "surprising test market results" (in Madison, Wichita, Syracuse and Columbus) indicated Enden was outselling all leading shampoos and other dandruff remedies. Curtis says saturation advertising, academic and medical in tone, on spot TV and in newspapers caused the rush to buy.

Much of the promotional budget for Enden is going into television now, with "Queen for a Day" and "What's My Line?" sharing the spotlight. Rest of the budget goes for print.

Bristol-Myers currently is testing its "therapeutic anti-dandruff" formula Theradan in six markets, probably will send it national soon. Advertising (via Doherty, Clifford, Steers & Shenfield) includes newspapers and spot TV.

Max Factor also is pushing its new Sebb, which is not a shampoo, with medical type ads (via Doyle, Dane & Bernbach) and much emphasis on testimonials.

Copy also plays up the factor that Sebb is as "easy as water to use," that you let it dry on the scalp and leave it on."

Interesting sidelight to the looming dandruff-shampoo battle is new emphasis on appealing to men. The men's shampoo market as such has been virtually untapped, with only Mennen really in on it. Now Sebb is featuring men prominently in its ads, and, of course, Fitch's Debbie has her boy friends. ■

Facade of New York City's Paramount Theater, where Presley's movie is playing, defaced by teen-agers.

Promoting with Presley

Some $25,000,000 worth of Elvis-blessed items will sell in a year. Here's who is behind the controversial boom, big enough even for Dichter to study.

APPARENTLY seeking the cheapest way possible to sell more goods, marketers last week continued to queue up to get Elvis Presley to o.k. their products. Although trading on the tasteless usually pays off, at least in profits, marketers this time could be even more comfortably sure their machinations would succeed:

• Despite the limited musical ability of the bouncing boy from Tupelo (Miss.), Presley's LP record album is first in the industry's history to sell over 1,000,000 copies (four single records have also topped the 1,000,000 mark).

• One appearance on a television show, in which he sang a song called "Love Me Tender," snared 82.9% of the television audience and within a week brought 750,000 orders for the song, which RCA Victor hadn't even got around to pressing.

• Between now and the time the magnolias bloom in Tupelo, it's estimated that nearly $25,000,000 worth of Presley-blessed products (from a stuffed hound dog to a plaster bust) will sell to titillated teen-agers. And Presley himself will be well past earning his first $1,000,000.

➤ **The promoters back of Presley are veteran carnival man Col. Tom Parker and Henry Saperstein, who also promotes the more wholesome Lone Ranger, Lassie and Kellogg cereal (he thinks up premium ideas for the latter).** They interview all manufacturers with new ideas for a Presley promotion. Licenses, which they supervise, are not handed out with abandon; probably 50 firms were refused them in recent weeks, they say, because ideas "didn't live up to our standards." As Elvis Presley, Inc., the promoters also sit back and collect 5-10% of manufacturers' dollar volume on Presley-okayed items. As of last week, the line was still forming on the right.

Both Parker and Saperstein admit that girls screamed over Presley's suggestive mouthings and socketless gyrations before they themselves appeared on the scene. Their job is simply to channel hysteria for the rock 'n' roll Romeo in the right direction—that is, toward spending money for it.

➤ **Currently, 33 firms are licensed to use Elvis Presley's name on merchandise. Products range from socks made by Chester H. Roth Co. (New York) to wood pencils and pencil cases made by American Pencil Co. (Lewisberg, Pa.). But the bulk of the products are those highly appealing to teen-age girls:** decorative pillows, lipsticks, colognes, toreador pants, stuffed animals.

Probably the largest firm trading on the controversial Presley boom is RCA Victor, which has "never seen anything like it." It now markets victrolas in "simulated blue denim" cases bearing Presley's autograph. You are the lucky recipient, if you buy the $32.95 model, of eight free Presley records.

America's character merchandising graveyard is full of names, of course. One greeting card manufacturer, who banked on Davy Crockett's lasting through last winter, printed (during the summer of 1955) Valentine's Day cards with a Davy Crockett motif, found himself with 500,000 unwanted Valentines. But if the gamble is big, so is the pot when you win. Teen-agers between 14 and 19—Presley's most volatile supporters—have, between money earned and allowances, probably $9 billion a year to spend.

Parker and Saperstein think by limit-

the WOMAN'S VIEWPOINT

By Dorothy Diamond ®

Brainstorming for the home

How lazy can we get? It's no secret that women are succumbing with increasing frequency to the ease of mass-produced, pre-assembled frozen dishes. But did you ever think that we would complain about the labor involved in throwing away the empty cartons? A disposal system that will chop up and dissolve cardboard containers—this was a suggestion offered by a brainstorming panel of home economists last month at the United Fruit Company's Food Forum.

For this particular brainstorming session, the provocative topic was: "What products are needed in the home that are not now available?" As you might expect (and it's in line with brainstorming technique), some ideas were utterly fantastic. Others, however, had possibilities or were based upon valid complaints. So, instead of my doing all the grumbling and suggesting this week, I'll offer a selection from the panel's ideas.

How to make life in the kitchen more pleasant? Here are some thoughts: an oven with revolving shelves; a knife holder with built-in sharpeners; overhead cabinets with doors that pull down and snap up; paper towel ejectors that do away with pulling; edible plates, knives and forks; an egg beater that comes apart and is easy to clean; bite-sized pieces of steel wool to eliminate the need of tearing pads apart; a frying pan with a permanent silicone finish that never needs scouring. To forestall the classic tears induced by onions, someone suggested (and it makes good sense to me) onions prechopped and packaged in cellophane bags.

When it comes to other rooms of the house, cleanliness and upkeep of cleanliness were uppermost in the minds of panelists. Samples of their thinking: a fold-in toilet for the bathroom similar to the one in Pullman roomettes; a flushing system for the bathtub; Venetian blinds with removable tapes; snap-on-and-off woodwork and moldings; and tear-off wallpaper.

The consumer herself came in for only one criticism. Maybe this would be as hard to come by as a never-fail prepackaged souffle, but one company representative yearned for "a housewife who would follow directions."

Brand names: plain & fanciful

Confronted with the problem of christening a product, an advertiser has these alternatives: 1) it can choose a "plain Jane" name like Frigidaire Automatic Washer; or 2) it can go fanciful with something like Revlon's Moon Drops, which has glamour but does not reveal what the product is. One company I know of chose the latter course and, as I recently discovered, its advertising for household products has been virtually wasted on me.

I learned of the fiasco when interviewed by a part-time researcher for a consumer survey firm. She rattled off ten brand names and asked me to give the product and manufacturer represented by each. My score proved to be: only 10% on the products, zero on the companies. (It turned out that **all** of the products are made by the same outfit).

Since I pride myself on paying a good deal of attention to advertising, I was naturally chagrined at my poor showing. The researcher informed me that I had done as well as most of the other women and that all of the feminine respondents were smarter than the men. (Women knew that a compound name containing "bulb" related to lighting. Men associated it with tulips).

This incident points up a trend that has been gaining strong—and undesirable—headway in the advertising business. Some companies unfortunately promote brand names at the expense of company names. Others have gone so far afield in their choice of brand names that the public does not know what they are talking about.

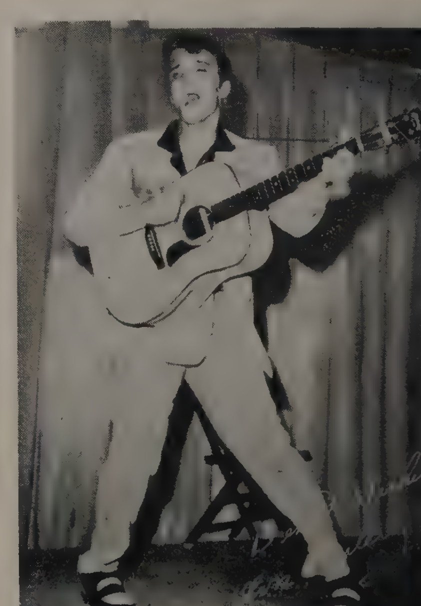
Sales point?

In one of those here-it-is ads for its 1957 model, Mercury promises prospective owners that after setting the Keyboard Control they will "dream through a Floating Ride that smothers every kind of bump." The word that jars us is "dream." We advocate that, before lapsing into a semi-conscious state behind the wheel, Mercury drivers take out considerably more liability insurance.

ing Presley promotions to around the 33 figure, they'll prevent Presley's burlesque from boring. Significantly, though, no licensee seems to find Presley's pinnacle safe enough for a long-range project. There is virtually no paid advertising behind any of the Presley products, doubtlessly because none is needed. And, fortunately, there are no plans for any, should the relish diminish for Presley, who now seems to be abandoning rock 'n' roll for ballads and country music (e.g., "Poor Boy") he started with.

➤ **Probably the most interesting aspect of the Presley boom are the reasons psychologists and the like think power it.** While Dr. Ernest Dichter of the Institute for Motivational Research is hard at work studying the phenomenon, others have ready opinions. Says Temple University medical school professor Dr. Stanley W. Conrad: rock 'n' roll "music suggests tension and anger, and the repetitive violance of a machine gun or the repetitious thrusts of sensuality. . . . The tempo is irregular . . . and it invites the mind and body to be irregular and to break up its orderly pattern. It is more than an invitation to the dance. It is an invitation to break the rhythmic pattern of conformity with social custom and expectation of decorum. And the incompletely formed conscience of the adolescent accepts the invitation."

Perhaps marketers trading on Presley prefer to think of him as a symbol of adolescent rebellion, rather than what he really symbolizes, which is a particular brand of vulgarity that doesn't need marketers to help it sell. ■



Rock 'n' roll's Presley
Fortunately, no ads are planned

Fiberglass boats now account for 15% of the market

A fiberglass boat can be built in a day

Fiberglass dinghies are popular

Fiberglass boats boom

Boats can now be mass produced. All they need is a mass market.

THE CRAFT pictured on this and the next page are all made of fiberglass plastic, a compound tougher than steel, lighter than aluminum and easy to mold into almost any shape. Thanks to fiberglass plastic, a 24-ft. cruiser, for instance, can be turned out in a day instead of the usual four to six weeks for traditional wood and metal models. The new plastic boat manufacturers now need only a mass market to buy up their forthcoming mass production.

In 1954, 16,000 fiberglass boats were sold. Last year, 30,000 were built & bought. This year's sales should total 40,000 boats (plus 200,000 or so wooden boats which get fiberglass skins). Over the past 10 years fiberglass boats have risen from none to at least 15% of the U.S. boat market. Boats built of fiberglass will occupy the most space at the New York Boat Show, due January 17.

➤ **But marketers seeking more sales have a couple of major problems to surmount. Fiberglass boats are initially more expensive than conventionally built ones (roughly $50 more for 24-ft. size and under).** But fiberglass ones will not rot, corrode, rust, dry out or give way to exposure from the weather. They do not require soaking until seams close, need not be caulked and painted each spring. In short, counterbalancing the higher price is lower maintenance.

Like the outdoor grill and the outdoor movie, fiberglass boats first caught on along the west coast. Thus today the top companies in the field are there, with the biggest probably Glasspar (Santa Ana, Calif.) which turns out some 3,000 hulls per year. Other big ones: Wizard Boat Co. (Costa Mesa, Calif.), Bell Boy division of Washington's Bellingham Shipyards.

While several east coast boat companies also started making fiberglass hulls right after the war, the trend in the east was slow to start. Jan Irvine of Owens-Corning Fiberglas Corp. explains that three things spread fiberglass construction eastward: advertising by the west coast companies in national boat publications; some heavy selling by his own company; and "word of mouth" of boatmen. "You might even say boatmen sold it by themselves."

➤ **Today, for example, the 57-year-old Cape Cod Shipbuilding Co. (Wareham, Mass.) devotes all its production to fi-**

SELLING TO INDUSTRY

By John Sasso ®

Railroads reply

Our recent comment on the inefficiency of railroad advertising to industry brought a number of comments—pleasant ones for a change. Walter Jackson of The Chesapeake & Ohio reports that C.&O.'s freight campaign has drawn thousands of letters, as it should.

Right now, we'd like to correct one misapprehension voiced by some readers: we didn't mean to infer that advertising art is wasteful. Far from it. It's simply our opinion that relatively "huge" art isn't necessary to sell a good story. Also we insist that punning headlines are practically never excusable.

W. J. Rogers of Gardner sent along a portfolio of Wabash Railroad ads which are unusually good. Each takes up, from a businessman's point of view, actual progress made by first-class lines and thus helps clear up conventional misconceptions. Sample subjects: "Do railroads really want passengers business?" "Why not let competition work in transportation too?" "Did you ever think how much of your community's growth is delivered by railroads?" Provocative headlines, straightforward copy, clean layout feature each ad. That kind of promotion to business makes sense to us.

Air freight selling

For another slant on selling freight service to industry, take a look at what two airlines are up to: United and TWA. United advertising presents straightforward specific facts on shipping costs in an unemotional industrial ad that will answer plenty of businessmen's questions.

Not so with TWA. TWA sells airfreight with a Ripley-type cartoon. Certainly people will stop and look, but even after threading through the hard-to-read hand printing, they'll learn nothing specific. In fact, everything said in that ad could apply to any airline handling airfreight. Possible exception: TWA has "Super-G's" (why are they any better for freight?).

Seems to us this problem of selling industry on freight transportation, whether by railroad, truck or air, demands fresh study and more creative thinking by advertisers and agencies.

Paradox dept.

If an agency were soliciting an industrial battery account, chances are it would go all out to "sell" its technical know-how and manpower, as well as its understanding of industries to which batteries are sold. Sounds reasonable, doesn't it?

Well then, how does one figure out ads like Gould-National's series aimed at plant engineers? Sample: big pic of a baby's head, plus copy saying "once upon a time there were three batteries . . . a little battery, etc." Another shows a plane taking off, carries the inspiring headlines: "Get off to a good start . . . specify Gould batteries."Plus four lines of innocuous copy.

It's hard to believe that any account man would have the nerve to ask an industrial client to approve such tripe for use in industrial advertising. Who's to blame for this paradox? It's always a necessity to prove you have technical knowhow **before** you get an industrial account—but is it necessary to neglect your vaunted technical knowhow in ads you write **after** you get an account?

Screwball query

A researcher at a certain agency sends up a plaintive letter asking for information "from authorities" on the relative value of "free" publicity versus paid advertising . . . particularly the value of local publicity on a 50th anniversary compared to consumer advertising tied to the event. The poor researcher has been asked to get dollar "percentages" for publicity versus advertising.

The birdbrain who asked his poor researcher to dig up that kind of information ought to be forced to look it up himself. Better still, he should personally ask a local newspaper editor—but only if he's sure his insurance is paid up at the time.

berglass hulls (the 50-man shipyard turned to fiberglass completely four years ago). Averaging 750 hulls a year (as do most of the 100-or-so companies in the field), Cape Cod Shipbuilding offers a line of craft including a nine-ft. Cape Cod dinghy ($245), a 12-ft. outboard ($346), a 24-ft. Raben class sloop ($2,885). Some 25% of Cape Cod's advertising budget will go to promote itself at January's New York Boat Show.

The effect of the boom in fiberglass construction is shown, too, by the Anchorage Co. (Warren, R.I.). Located on the eastern shore of Narragansett Bay, The Anchorage once devoted itself exclusively to wood construction. But, says manager R. G. Lundstrom, so many people grew interested in fiberglass that the Anchorage switched completely to the compound in 1950, now turns out 500 to 700 such hulls a year (one Anchorage fiberglass boat

Atlantic Class boats may now be constructed from fiberglass

is the famed 12-ft. International dinghy for racing). "We find that the widest acceptance for fiberglass is among the small boat owner. This is due to the cut in maintenance costs he enjoys. The big education job ahead is in the market for bigger boats."

➤ **Boat builders are just beginning to conquer the problem that has kept fiberglass from use in big boats.** The polyester resin in the fiberglass has tended to weaken at points of stress, long limiting mass production to boats 24-ft and under. Best news so far of progress in combating that problem, though it has yet to get the advertising it deserves: this year the Atlantic Class, long closed to anything but 100 existing wooden boats built 27 years ago in Germany, allowed fiberglass construction. ■

Why the sudden death of Collier's and Companion?

Perhaps the story behind the slow decay of Collier's and Woman's Home Companion is really a simple one. **Not so simple, though, is why the two magazines were suddenly killed last fortnight** when, some say, they were beginning to rise from the doldrums.

The answer seems to be that the Crowell-Collier management lost control of the company to a group headed by financier J. Patrick Lannan, who is more speculator than publisher, as long ago as August, 1955 (reportedly in the group is Clint Murchison, of New York Central fame).

In August, 1955, Crowell-Collier, desperate for cash, put up for sale through the broker, Elliott & Co., $3,000,000 in debentures convertible into common stock (this is the transaction the Securities & Exchange Commission is investigating). Those debentures and a later issue of $680,000 were bought mainly by the Lannan group. **Lannan's share of the debentures add up to 600,000 shares of stock or control of the company** (the original management has roughly 400,000 shares, which is voted by Clarence Stouch for Publication Corp. and the estate of the late Joseph Knapp, founder of This Week and builder of the Crowell-Collier empire).

It was Lannan who moved in and suddenly folded the unprofitable magazines (the two magazines lost $7,500,000 this year, the company as a whole, $2,500,000). **Apparently, he had neither the way nor the will to raise the cash needed to continue them.**

These serious questions remain unanswered:
- **Was there a prior understanding between C-C president Paul Smith and Elliott & Co. that the debentures would be bought by Lannan and his associates? If so, did C-C's board of directors know this, including Lannan's and Elliott's history?** Fact is, the debentures carry no pre-emptive rights whereby the original stockholders get first call on the issue if they wish to block the sale to unwelcome interests.
- Why did Lannan buy into Crowell-Collier?
- Now that he's in, what will Lannan do?

Rest of the magazine business good:

The magazine business in general, however, looks healthy enough, especially on the advertising front. The Magazine Advertising Bureau reports advertising revenue figures for 1956's first nine months at a high 11.7% over 1955's period. The ad dollar total for the period: $518.6 million, compared with last year's period's $464.4 million.

Sametime, says MAB, ad pages are up 5.6% over 1955's first nine months. Total ad pages run in magazines for the period: 63,422, compared with 1955's 60,045.

The magazine industry continues to grow on the circulation front with an average per issue circulation for 1956's first half of 172.1 million (or, counting Reader's Digest, of 183.2 million). That's up from 1950's 146.7 million for a 17% increase. Population gain over the period (people 15 years and over) is roughly 5%.

Profits, of course, are another story, with the industry average down in recent years to a dangerously low 2.8% of revenues (Tide—Oct. 12, 1955).

TV set makers plan production cutback:

TV set manufacturers face anything but a happy new sales year.

During 1956, TV set makers turned out close to 10,000,000 sets. Of these, only about 7,100,000 will be sold by year's end. This leaves a whopping inventory of some 2,750,000 sets, compared to 2,300,000 last December.

Two major trends already are forming. First is a wave of price cutting, even mor severe than usual appliance discounting. Reason: dealers want to unload inventory before the new lines come out in June.

The other trend is greater sales emphasis on 17-inch portable TV models. GE, Motorola, Zenith and Philco will all push 17-inchers as a replacement set. Until now, the 14-inch portable has accounted for the bulk (66%) of portable production.

Because of the glut on regular sets, Radio Corp. of America has already laid off several hundred workers and cut back production at its Bloomington (Ind.) plant. Significantly, RCA's move comes at a time when RCA board chairman David Sarnoff is forecasting color TV set saturation in 10 years.

TV grows on the farm:

Progressive Farmer has a new readership study (by W. R. Simmons & Associates) which includes an interesting sidelight on the growth of TV homes in rural areas. The study (it shows Progressive Farmer topping 16 magazines in readership in the rural south) reports that 55% of the population in the south now live in homes equipped with TV sets. Of the 10,740,000 who live in homes with television, 20% acquired the set within the past year.

Farmers favorite magazines besides Progressive Farmer: Life, Farm & Ranch, Look, Farm Journal, Satevepost, Better Homes & Gardens (all have over 2,000,000 readers in the area).

UHF growing, too:

Another TV fact, turned up by A. C. Nielsen Co.: currently some 4,000,000 U.S. homes are equipped to receive UHF television. Nielsen, however, doesn't yet hav average UHF saturation in UHF-VHF areas.

New service from Gallup & Robinson:

Gallup & Robinson has a new research service to sell called Activation Research. Most simply, it aims to translate buying motives into advertising copy.

Gallup & Robinson over the years has collected a "bank" of people's opinions—e.g., what a housewife bought and why; what advertising, if any, influenced her to buy. Another G&R aim—and certainly a new twist—is to invite advertising and media executives to Hopewell (N.J.) headquarters for the new project, bring them face to face with consumers. Hopefully, the consumers will help them with new ideas for copy (and perhaps television programs).

Customers so far are the National Assn. of Manufacturers (for a forthcoming PR program), Du Pont and a TV network.

Do media salesmen do their jobs?

Not well enough, say 150 ad managers polled by Tide. Here's what's wrong.

"M*EDIA reps don't call often enough on advertisers. When they do call, they exhibit evidence of lack of knowledge of even the most readily ascertainable facts of the prospect's business. Their minds are so full of real or imaginary advantages over competing media that there is no room for us and our problems. Too few even attempt to show us how we can sell more Gem razors and Pal blades through their facilities—except by indirection." —Albert J. Goetz, advertising manager of American Safety Razor.*

This comment reflects a fair sampling of the comments of a random poll of 250 advertising managers on **Tide**'s Leadership Panel (of whom 150 responded) and 50 company presidents and vice-presidents (of whom half responded), on how well media representatives do their job.

Some 60% of the ad managers queried on this point think consumer media salesmen have only a fair understanding of their problems, while only 13% think media men understand their problems thoroughly. Sametime, 19% rate their understanding poor, while 8% of the ad managers don't think consumer media salesmen grasp their advertising problems at all.

Business paper salesmen fare slightly better at the hands of ad managers. A healthy 21% think these space salesmen have real rapport with them, while 17% think understanding is poor, and 3% think it's non-existent. Nevertheless, the majority (59%) are still lukewarm about the acuteness of business paper salesmen.

Company presidents and vice-presidents are even more critical of media salesmen. On their understanding of the company's specific advertising problems, consumer media men are rated fair by 57%, poor by 36% and good by only 7%. Sametime, 50% of the top executives rate business paper salesmen as fair, 43% poor, and 7% good.

Part of the blame may lie with the companies and not with the salesmen. The space or time salesman can hardly be expected to learn about an advertiser's policies and problems if he has insufficient contact with his prospect.

However, while 18% of ad managers estimate that less than half of the media salesmen who call on them get past the secretary and while another 10% guess that only half to three-quarters of the salesmen get a chance to make their pitches and talk over a company's plans, a high 72% of the ad managers claim they see nearly all the salesmen who call.

➤ **Further, and making the situation even worse, ad managers say they generally allot up to half an hour to a consumer media salesman and a similar amount of time to business paper representatives.**

The top executives, on the other hand, are much less accessible. Only 58% estimate that they see all or most of the salesmen who want to see them. Only 5% guess they see from half to three-quarters, while a thumping 37% say they turn more than half the salesmen away without an interview. Included in this last figure, incidentally, is a big 21% of the respondents who don't see any media representatives.

Tide uncovered this: advertisers think some media don't call on them often enough. Some 72% of advertising managers responding are convinced that there are media whose representatives don't call on them even though they should. Specifically, 35% think television is the worst offender, while 24% think business papers don't push hard enough. A like number put the finger on radio. Presidents and vice-presidents, though, are much less concerned

Underwood's Ruprecht

Bemis Bag's Salisbury

Gilbert & Barker's White

Instead of telling me statistics, study my product and problems

with the fact that they're missing any particular medium's story. Only 54% believe they're not being exposed to a medium that might do them some good.

Paramount in advertisers' minds is the need for media representatives to have a better understanding of the prospect's business. Underwood Corp. advertising & sales promotion manager Carl Ruprecht thinks mediamen should certainly take the time to find out as much as they can. "They shouldn't expect me to be an educator all of the time. Far too often the roles are reversed and I find I have to do the selling."

Such ignorance, thinks I. Miller & Sons' ad manager Marvin Davis, can lead to some exasperating interviews. Says he: "I think it's wrong and time consuming when media men from magazines that do not fit in our category of business solicit for pages with no understanding of our situation except that we spend money." Sametime, Detecto Scales ad manager Owen J. Ward emphasizes the positive side of the same problem: "Media salesmen could improve their service to me simply by studying my product and other related products they have had experience in—and offering constructive suggestions, such as approach and timing."

➤ **A result of media representatives' basic lack of information about their prospects' companies is the feeling on the part of advertisers that media research is inadequate and that their claims are unrealistic.** As one ad manager puts it: "Too many reps quote circulation figures as though that was all that was required of them to 'sell' their publication." Adds Bemis Bros. Bag Co. assistant ad manager Garth Salisbury: "Media men can help me by finding some stronger, more interesting selling approach than their latest readership survey, circulation analysis, etc., most of which fairly reek of loaded questions, dubious sampling—and all proving exactly what they set out to prove."

What advertisers do need, thinks Gilbert & Barker ad manager Raymond White, is more general information about what is going on in their specific fields, or, as another executive puts it, "more constructive and unbiased market information."

Emery Industries ad manager Lester Francis sums up advertiser suggestions to media salesmen this way: "Find out about us and talk about us instead of insisting I thumb through their latest issue and hear how it's the best buy—and most of all giving me countless opportunities to infer my absolute idiocy in buying the space I now use!" ■

ONE ADMAN'S OPINION

By Lester Leber ®

What kind of an advertising year was 1956 . . . and what will 1957 be like?

There was more **good** advertising in 1956 than ever before . . . and there was more **poor** advertising. In other words, there was more.

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But there was much less **bad** advertising. The phony health appeals in cigaret copy were noticeably and fortunately absent. In recent years no single factor alienated thinking Americans against advertising more than what the tobacco men used to do.

The next category due for cleaning up is motion pictures. As myopically as the cigaret-makers who thought they could not get along without medical mumbo-jumbo, Hollywood feels the only way to sell a new movie is to imply that it's dirty. Yet the pictures that do best are those that subordinate sex. It's only a question of time before movies upgrade their advertising as they are doing with their product.

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If it were possible to draw a graph of **quality** for all advertising, it would most certainly show an upward trend during 1956 that will continue through 1957.

Even though there is still much that is corny, contrived and unconvincing, there are many more companies than ever before who are willing and even eager to be fresh, distinctive and exciting.

Bert & Harry Piel set the fastest pace down this path in 1956. In the food field there was Hunt's with high-fashion photography that was always beautiful as well as imaginative. In transportation, Quantas airline got more attention per dollar than anybody else. For drugstore products, Crest in print and Ipana on TV deserve kudos.

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In most of the important fields the level of competence was so high that nobody stands out. This seems particularly true of the biggest spender, automobiles. As you cast your mind's eye back, it's hard to pick any one car that did better than its competitors. One of the most exciting phases to watch next year is whether any of the Big Three will find a way to sell cars that definitely sets it apart from the others.

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For the second straight year this department picked a dozen Ads-of-the-Month. They were honored for being outstandingly c r e a t i v e. Once again we pay tribute to the agencies which were responsible. Those who repeated from 1955 were Young & Rubicam, McCann-Erickson, Benton & Bowles, J. Walter Thompson and Gumbinner. In every case, the 1956 advertisers were different from the 1955 winners. Newcomers to this inner circle of agencies were Fletcher D. Richards and Dancer, Fitzgerald & Sample.

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Based on the pronounced trends of the past year, here are predictions for the future:

• Art will continue to dominate copy because there will be so much advertising that consumers will have even less time to pause and study.

• Symbolism in photography and art will grow stronger as against realism because more and more brands will be concerned with establishing a personality rather than selling an item.

• Spectaculars in print (spreads, gate-folds, metallic ink, etc.) and on TV (90-minute plays, special events, etc.) will increase because of the mounting difficulties in making a dominant impression.

• The hullaballoo about agency compensation will die down as advertisers and agencies decide that the present system has worked well and nobody has an alternative that is better.

• Several house agencies will be formed and several will give up the ghost. By year's end the new ones will be shaky because they simply won't be able to produce up to the standards set by independent agencies.

FACES OF THE FORTNIGHT

Dan Forrestal tackles PRSA's "growing pains"

Since it was founded nine years ago, the Public Relations Society of America has accomplished a great deal. Its major accomplishment is that it has provided a single omnibus for all qualified public relations people. But as a society, it is young; it still suffers from growing pains, and it still has its shortcomings.

So says forceful, outspoken, 44-year-old Dan J. Forrestal, PR manager of Monsanto Chemical Co. and newly elected president of PRSA. His approach to PRSA's problems is to consider PRSA's progress in relation to other professional groups, such as the American Medical Assn., American Bar Assn. and American Chemical Society. His conclusion: for any society the first 100 years are the toughest.

Among PRSA's shortcomings, says Forrestal, is the fact that "We've had difficulty in assembling the problems which are really our principal tasks." Each PRSA president, he notes, "has been torn between a variety of tasks." What PRSA needs, he cautions, is "patience."

Forrestal believes that one of PRSA's big and unsolved problems is the matter of ethics and standards. While PRSA has a code of ethics, says he, these are primarily "goals" or "objectives." He thinks PRSA also needs a series of standards which would be policies to supplement the code of ethics —in other words, a set of rules which, when followed by PR practitioners, would result in living up to PRSA's code of ethics. Creating such a series of standards, says Forrestal, won't be an easy job, just as it wasn't easy for other professional societies who created their own standards.

In his new role as PRSA president, Forrestal expects to do even more traveling than he normally does in his Monsanto job, adds that "Only a heroic effort by Monsanto's PR staff will take up the slack." In his travels, Forrestal will endeavor to strengthen the ties between PRSA's 31 chapters and the national organization; he plans to "do an awful lot of listening to find out what PRSA's members want."

PRSA's Dan J. Forrestal
The first 100 years are toughest

One of Forrestal's goals will be to increase PRSA's service to its members. He wants, for example, to make the society's Information Center "the greatest repository of public relations information in the world." He points also to PRSA's educational committee, which is conducting a six-month study to find out the kind of training and background that best qualifies a man for a PR career. And he wants a PR bibliography, now being prepared by Prof. Scott Cutlup of the University of Wisconsin under a PRSA grant, "to be to PR what the Dewey decimal system is to libraries."

A native of St. Louis, Forrestal worked for the St. Louis Globe-Democrat for 19 years, was its assistant managing editor (and a war correspondent) before joining Monsanto in 1947. He was president of PRSA's St. Louis chapter in 1952, was secretary of PRSA in 1954 and vice-president last year. His chief hobbies: hi-fi and photography.

Executives at ease

The horse shown at right is named Big Account, and the man riding him is—naturally—an agencyman: Grey Advertising Agency board chairman Lawrence Valenstein.

Valenstein's daughter, Linda, interested him in riding 11 years ago, and Valenstein began by sneaking away nights for instruction and practice. Now, 11 years later, Valenstein is a proficient and enthusiastic equestrian —but his daughter has given up the sport.

Valenstein rides about twice a week, usually at his estate at Scarsdale (N.Y.).

Canada isn't the U.S., says P&G's Beadon

Marketing soap and detergent in Canada is considerably different from the U.S. For one thing, brand loyalty is negligible, forcing soap makers to launch one new brand after another

P&G of Canada's Perry Beadon
The big difference is the premium

(60% of all current brands were unknown 10 years ago). For another, Canadians' love for bargains means that soap makers must offer merchandise as a premium much more frequently. And finally, the bi-lingual Canadian market means a bi-lingual advertising problem.

One of the men who struggles with all these problems is young (34) Perry Beadon, promoted only recently to advertising director of Procter & Gamble of Canada, Ltd., a wholly owned subsidiary of the U.S. company. Beadon has another problem that P&G doesn't have in the U.S.: while P&G here holds a healthy sales edge over Colgate-Palmolive and Lever Bros., P&G of Canada runs neck-and-neck with Lever Bros., Ltd., for top spot among Canadian soap producers. Lever's Surf has a good lead over P&G's Tide among laundry detergents in Canada, although P&G's Camay is number one in bar soap sales.

The biggest difference between selling soap in Canada and the U.S., says Beadon, is the premium; while only 5% of U.S. laundry soaps offer merchandise premiums, 25% of all laundry soap in Canada features premiums—and 40% of all laundry soap sold in the Province of Quebec offers them.

The bi-lingual problem often means two completely different advertising and marketing plans for the same product, Beadon explains, since an advertising approach successful in bustling Toronto might fall flat in conservative Quebec. P&G of Canada today spends about half of its ad budget in television (with the other half divided almost evenly between radio and Sunday supplements),

although Beadon considers TV a very expansive medium. His reason: most Canadians live within 100 miles of the U.S. border, prefer to watch U.S. TV stations rather than the one government-operated TV network in Canada.

One similarity between P&G in Canada and its parent company in the U.S., says Beadon, is basic marketing strategy: both companies encourage their brands to compete with each other as strenuously as with other manufacturers' brands. This same competition extends to advertising agencies: P&G of Canada also uses a multi-agency set-up (Compton, Benton & Bowles, Dancer-Fitzgerald-Sample in New York, Hayhurst and Leo Burnett in Toronto, Young & Rubicam in New York and Toronto).

Beadon was promoted to ad director from ad manager, a post he'd held for a year, was also recently appointed to the board of directors. Born in England and now a naturalized Canadian, Beadon began his career in law and accounting. He lives in a village called Etobicoke, near Toronto, with his wife, two young sons and a collie named Laddie.

Executive ladder

• **William D. Crelley** has been named advertising director of Owens-Corning Fiberglas Corp. He was formerly assistant sales manager of Sweet's Catalog Service of F. W. Dodge Corp.

• **Clayton J. Rohrbach, Jr.**, is now advertising manager of Bristol-Myers Co. products division. He was previously assistant ad manager of R. T. French Co.

• **Elizabeth Lyman** is the newly promoted public relations director of Bell & Howell Co. She was formerly assistant PR director.

• National Biscuit Co. has named **Glenn Craig** as public relations director of its newly created PR Dept. He has been publicity manager since 1952.

• **William J. Horn** is the new advertising manager of Philco Corporation's Appliance Division.

• **Joseph H. Bagley**, vice-president & general sales manager of Gerber Baby Foods, becomes marketing vice-president on February 1 upon the retirement of **Earle L. Johnson. Fred C. Yeakey**, presently assistant general sales manager, succeeds Bagley as general sales manager.

• **Leonard B. Faupel**, assistant to the advertising manager of P. Ballantine & Sons, has been promoted to advertising manager.

• **Cecil E. Parson** has joined the American Kitchens Division of AVCO Mfg. Co. as advertising & sales promotion manager.

LETTERS

Fountain fun

Sirs:

The first piece in the November 23 "Tidings" caught my eye and revived old memories. Back in 1937 or 1938 I attended a party, after a ship launching, on the roof of the Lord Baltimore Hotel in Baltimore. They had not one, but two large and glittering crystal fountains. One spouted martinis, the other manhattans. Great show. Great party.

Lousy drinks. The theory was that the constant agitation corroded the vermouth. After one sample, most people headed for the mint julep bar in a far corner.

Charles W. Frey
Public Relations Dept.
Standard Oil Co.
New York

Cartoon

Sirs:

Your Miss 15% pilot (Nov. 23 issue) had himself a long walk at LaGuardia—all the way from the airline terminal in which he is shown across the field to the old Marine Terminal where Butler Aviation parks and processes private aircraft.

Unless he likes walking, he'd hardly be that happy on takeoff.

William G. Key
Assistant to the president
Fairchild Engine and Airplane Corp.
Hagerstown (Md.)

Our cartoonist took the train.—**Ed.**

Sirs:

May I congratulate you on your policy of running full-page cartoons, and ask if permission is needed to reprint them?

John B. Albrecht
Advertising Manager
Cincinnati

Thank you and the answer is yes, though we don't recall turning anyone down.—**Ed.**

Come back to Erin

Sirs:

I want to congratulate you on the Schaefer public relations story in your December 14 issue. As a PR man I can appreciate a good PR job when I see one, and Schaefer is doing just that.

Only one thing puzzled me about your story. At one point you make the cryptic statement that "He observed, for example, that Irish bartenders are Irish." Would you translate, please?

George Wilkerson
New York City

Author Lawrence M. Hughes originally wrote that sentence to read, "He observed, for example, that a great many bartenders are Irish." Still, there's no denying that Irish bartenders *are* Irish.—**Ed.**

"Now you can throw away your cream, spray, stick and ball deodorants—take a bath!"

Tide

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1564 Broadway, New York 36, N. Y., PLaza 7-2800

ADVERTISING & CIRCULATION

386 Fourth Avenue, New York 16, N. Y., LExington 2-1760

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BILL BROTHERS PUBLICATIONS

ABC ARP NBP MPA

Will Power

Sirs:

Your editorial labeled "Advertising: fear & fact" in the December 14 issue of **Tide** disgusts me. You too, I see, have fallen victim to the theories of Dr. John Dollard of Yale University which he expressed at the recent Advertising Research Foundation in New York City.

The good doctor notwithstanding, advertising is a threat to our free thinking. Of course it is successful in getting people to do what the advertiser wants—else why would so many millions of Americans buy so much useless junk. It hammers and hammers and hammers until we have no will to resist. No matter where we go, it follows us, nagging away until we buy. It takes away our ability to discriminate, to evaluate, to consider intelligently before buying.

Worst of all, it leaves us without a mind of our own. Advertising does our thinking for us and makes our decisions for us. Our minds have become little more than blank checks, with the advertiser filling in the amount.

I can assure you that I don't stand alone in my resentment toward advertising, and my distrust of it.

John De Angelo
Boston

You, Reader De Angelo, certainly seem to have a mind of your own and an even greater will to resist.—**Ed.**

Words at work

- Hearing music from this tape recorder—the most expensive—it's true—is both an exquisite pleasure and a dangerous revelation. **—AMPEX**
- For beach, brunch, bath or boudoir. **—THE TOG SHOP**
- As you take a turn around the deck, a ribbon of music and laughter floats out from the festivities inside. **—FRENCH LINE**
- Kids all stickum? Cleans 'em quickum! **—WASH-N-DRI**
- Thirst was made for this drink. Why waste it on anything else? **—SEVEN-UP**
- Each recipe is followed exactly, right down to the light whisper of the spices. Not a grain too little . . . not a pinch too much. **—CAMPBELL'S SOUPS**
- The most refreshing thing that ever happened to the end of a hot, busy day. **—HAMM'S BEER**

Advertisers' Index

FOOTNOTES

Looking ahead

Every year about this time we like to consider what has happened to advertising during the preceding 12 months and to think about the things we would like to see happen to advertising during the coming year. In looking back this time, it seems especially easy to us to think about things which have contributed to the increasing importance and stature of advertising. For example, there was the graceful way the Assn. of National Advertisers got off the hook on the 15% advertising agency commission debacle; the settlement of the government's anti-trust suit against the 4A's and the media associations which put a ripple in the normal course of the business; the really great amount of excellent advertising; the increasingly better and better media promotion; and, of course, a very satisfactory national advertising volume.

In short, a lot of very good things happened to advertising in 1956, but that doesn't mean that there isn't room for many more improvements in 1957. Here are a few things we think the business will find worth striving for:

• First, of course, we would like to see still more good advertising. Advertising standards are on the upgrade but they are far from where they should be, especially on television and in the dentifrice, automobile and gasoline industries.

• We hope a lot of nice things happen to certain people, among them, that the automobile business manages to sell 8,000,000 cars, that Bert and Harry Piel stay on television, that the Advertising Research Foundation gets a little more of the stature it should have, that the Federal Trade Commission hews to the rough course it has set for itself.

• It would be nice, too, if Harvard Professor Albert Frey's report on advertising agency compensation methods (commissioned by the Assn. of National Ad vertisers) is just that and doesn't provide any fue that would feed the fire of dissension lit by the AN in the first place.

• We hope that a close study of the Crowell-Collie tragedy will startle other complacent media out o their ruts and make them take a long look at thei editorial and management policies.

• We hope that 1957 will see a further decline i the readership and attention given the scurrilous scandal-mongering magazines and newsletters whic have lasted long enough to lower the prestige of th entire publishing business.

• We hope that the public relations busines (profession?) will continue to grow in reputation an importance and fulfill the role it is destined to pla in American business. We hope, too, that the con tinuing unrest between the public relations counse and advertising agencies with public relations depart ments abates and ultimately stops entirely.

• We hope that in 1957 companies generally wi endeavor to bring out more new and improve products at reasonable prices, and that they will fin new and better ways to persuade the publi to buy them.

• We hope that 1957 is truly the year of colo television. It seems to us that for whatever reason RCA is promoting color television, its effort should be rewarded. The result can only be a bette way to sell products and an entertainment mediun far better than anything the American public ha yet seen.

• Finally, we hope that 1957 is even mor prosperous for everybody than 1956.

The Editors

Two-car families?

...The News has more readers in 2-car families than all other New York morning papers combined ...or all evening newspapers combined!

All by itself, The News has almost 40% of all the readers of New York City newspapers in households owning 2 or more cars, in New York City and suburbs:

280,000 *more* than the Mirror
320,000 *more* than the Journal-American
320,000 *more* than the Times
330,000 *more* than the World-Telegram & Sun
340,000 *more* than the Herald-Tribune
400,000 *more* than the Post

And in plain ordinary one-car families, The News has some 2,380,000 adult readers—which again happens to be more than all the New York morning papers combined can show! (Evening papers ditto.)

In fact, the 4,780,000 adult readers of the Daily News includes more high incomes, home owners, college alumni, families with children, bondholders, stockholders, or you-name-it...by all odds the *most market* in New York City and suburbs that any medium offers. (And remember News readership is one audience rating you can rely on, every day and Sunday!)

If you want more sales, box tops, samplers, reputation, retailer preference, revenue or profit in New York—The News is your best buy! Cheapest, too. And any New York News office will be glad to show you why!

The News, *New York's Picture Newspaper ...*

with more than twice the circulation, daily and Sunday, of any other newspaper in America ...


THE WORLD
INDIAN
OCEAN

ON A NEW "HOT LINE"

With the addition of NBC Radio Network's "HOT LINE" Service, now in operation, radio news coverage takes on increased stature. An open line, linking NBC Radio Central to every affiliate, is ready throughout the broadcast day. When news breaks anywhere in the world, immediate notice clears all stations automatically, to bring NBC Radio audiences instant word.

Beginning January 14th, the NBC Radio Network brings the nation another exclusive service: NETWORK NEWS ON THE HOUR. Not just a rehash of wire services, each broadcast will have fresh news — live, direct reports by NBC correspondents around the world, on-the-spot coverage of important local stories by Network Associate newsmen at NBC's affiliates. Throughout the entire week, the first five minutes of every hour will keep America on top of the news.

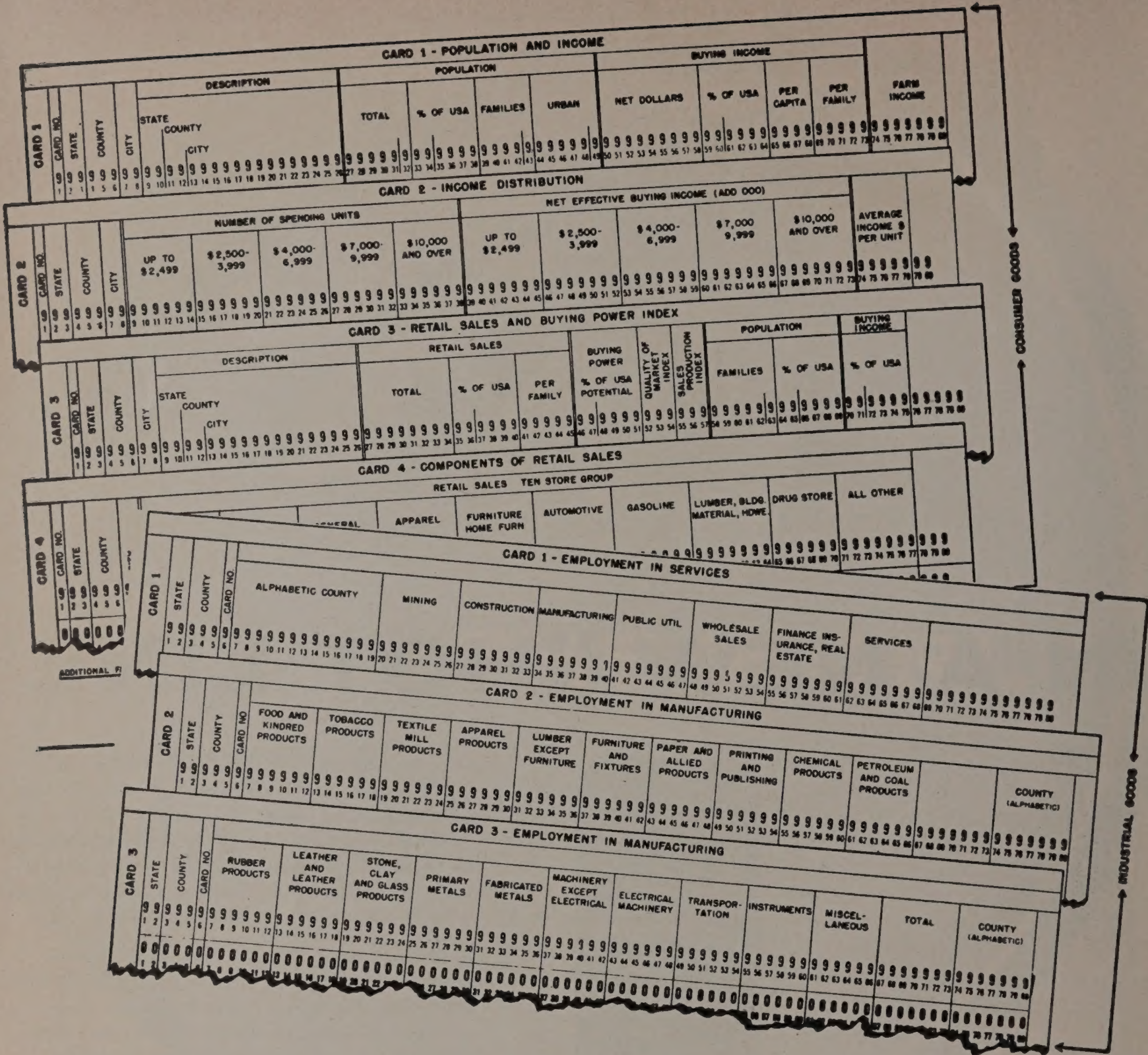
The "HOT LINE" Service and NEWS ON THE HOUR form a one-two news punch that will make the NBC Radio Station in every market THE source for swift, reliable, complete news coverage. This is the combination that gives listeners more reason than ever to keep tuned through the day to NBC Radio.

Advertisers have been quick to recognize the value of this vital development. Bristol-Myers has purchased half of all the NEWS ON THE HOUR broadcasts — one of the biggest network buys in years.

The dynamic energy of NBC Radio can generate sales for you, too. Your NBC Radio Network representative will tell you how. Call him today.

NBC RADIO NETWORK

a service of RCA



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for MODERN MARKETING
in AMERICA'S MOTOR EMPIRE
the advertiser's BASIC BUY is
THE DETROIT FREE PRESS

- Always first in the day—
  now FIRST in circulation, too!
  Detroit's brightest and sprightliest paper
  has more readers than any other Michigan newspaper!
  (It's growing faster, too.)

— *you see the friendly* **Free Press** *everywhere!*

*FIRST IN CIRCULATION—456,768

(Daily circulation, Publisher's Statement 9-30-56, as filed with the Audit Bureau of Circulations)

Represented by Story, Brooks and Finley, Hal Winter Company, & Kent Hanson Associates

Who dips the chips in Chicago?

There once was a man who went in for a dip.
And his name was Charlie,
Charlie's dip was epicurean not aquatic—and went with ablutions *on*-the-rocks instead of *off* them.

Charlie's Dip

8 oz. cream cheese
2 tbsp. cream
2 tbsp. minced onion
2 tbsp. caraway seed
4 tbsp. capers
salt and pepper

Every evening about 5, Charlie would spread this delicious dip on potato chips and serve it proudly.

Potato chips, incidentally, were Charlie's curricular as well as extra-curricular specialty. In fact, he earned his cream cheese and capers selling them. And was always looking for ways and means to earn more.

So one night when the chips were passing, Charlie signaled his friend Joe to come over. "Look here, Joe," said Charlie, "I've been selling a few more chips each year in the Chicago market. But I believe in gobbling up all the dope I can on this salty subject. Maybe you can give me a hand."

It happened that Joe could. And did. (That's because Joe sold advertising in the Chicago Tribune and specialized in running down all kinds of savory information on the Chicago market.)

And here's what Joe ran down for Charlie:

The potato chip market in Chicago has doubled in the past five years. And more than half (51%) of the families in Chicago are now buying chips at least once every two months—an increase *from* 41% in the five year period. The average purchase per family has jumped from 9 to 16 ounces per two month period.

"Charlie," continued Joe, "although you're selling more chips today than you were in 1950, your share of the market has dropped over 50%—and you've slipped from being among the leaders."

"Uh-oh," pealed the potato peeler, "you've certainly given me food for thought. Back in 1949 I concentrated my advertising in Tribune newsprint color pages and made my greatest sales gains. It was when I reduced this advertising and strayed into other media that I slipped. I wonder if there's any connection . . . "

Old square-shooter Joe, not wishing to open fire on a sitting advertiser, just dipped another chip and smiled.

P.S. *to Hungry Advertisers:* If you want the scoop on the Chicago market, try Joe. *Nobody knows Chicago like the Tribune. Nothing sells Chicago like the Tribune.* And Joe can dig up the dope for you.

Chicago Tribune

THE WORLD'S GREATEST NEWSPAPER